FINANCIAL STATEMENTS AS AT 31.12.2021

(In accordance with International Financial Reporting Standards – I.F.R.S.)

Athens,
21 June 2022

ABC FACTORS

BOARD OF DIRECTORS' MANAGEMENT REPORT TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS FOR THE FISCAL YEAR 2021

(From 1st January to 31st December 2021)

Athens,
21 June 2022

To the Shareholders,

According to Article 150 of L. 4548/2018, which refers to the Management Report of the Board of Directors for companies that prepare financial statements in accordance with International Financial Reporting Standards (IFRS), we submit to the General Assembly Meeting, the Company's financial statements for the fiscal year 2021 with our observations on these and request for your approval.

Detailed information on the accounting policies applied is listed in the Notes of the Financial Statements of 31 December 2021.

1. Economic Environment

In early 2020, the emergence and rapid spread of the Covid-19 pandemic overturned the growth prospects of the global and the Greek economy. Many governments, in an effort to boost the resilience of their national economies, have taken to an unprecedented extent emergency fiscal measure to support national health systems and ensure employment and entrepreneurship. The fiscal support policy that the government has followed mitigated, in part, the adverse effects of the recession that reached 9% on an annual basis in 2020.

The swift and strong recovery of economic activity in the first nine months of 2021, recouped a significant part of the losses registered because of the recession of the previous year, as GDP at constant prices increased by 8.3% on an annual basis based on the adjusted criteria. The steep rebound of GDP in 2021 can be attributed, firstly, to the private consumption, which increased by 7.8%, on an annual basis, contributing by 5.5 points on GDP growth and which was driven by the sharp increase in savings and the rise in employment.

Investments have marked the second greater positive contribution to the GDP increase in 2021 (2.3 percentage points), as they increased by 19.6%, which amongst individual categories was mainly attributed to the rise of investment in machinery and technological equipment (+34.5% on an annual basis).

The good performance of exports of services, and especially the remarkable recovery of tourism in 2021, have resulted in the positive contribution of net exports to the GDP increase, by 0.9 percentage points. Finally, public consumption has increased by 3.7% in 2021, in comparison to 2020, contributing to GDP increase by 0.8 percentage points, as a result of fiscal interventions addressing the negative impacts of the pandemic, as well as other fiscal support measures for the strengthening of households and businesses, which include, amongst others, the provision of subsidies for heating, electricity and petroleum. On the contrary, inventories have significantly decreased, during the previous year, deducting 1.1 percentage points from the GDP rise.

Some particularly favorable indications that the recovery of the Greek economy will be strong are the following:

- Firstly, conditions for the change of the composition of the economic growth are put in place, which is expected to derive mainly from investment expenditure. The increase of investment in the short-term will be determined by the evolution of the country's sovereign credit rating towards the so-called "investment grade", the disbursement of funds in the context of the Recovery and Resilience Facility (RRF), as well as the implementation of structural reforms that will establish a business-friendly environment. The RRF funding can turn to be a stable basis for a strong continued growth of the Greek economy and is expected to mobilize new investments and sustainable growth rates. The funds, according to the National Recovery and Resilience Plan (NRRP), are expected to mobilize new investments of around EUR 57.5 billion in 2021-2026, covering to a large extent the investment gap that was created in Greece in the previous decade.

- Secondly, in the estimation for new increase of tourist arrivals and proceeds from tourism, the significant recovery of turnover of businesses and finally, the gradual stabilization of the Economic Sentiment Indicator (ESI).

Despite the positive expectations, the challenges and uncertainties are retained with regards to the evolution of the disease Covid-19 and its mutations, as well as the potential impacts of permanent nature in productivity, employment, behavior of households, resilience of businesses and risks of financing the economically weak economies.

In addition, inflation, as measured with the Harmonized Index of Consumer Prices (HICP), followed an upward trend in the second half of 2021, mainly due to the rising energy prices globally, the supply chain disruptions and the shortages in raw materials. In December 2021, HICP increased by 4.4% y-o-y, compared to -2.2%, respectively, in the same month of 2020, whereas the average index rose by 0,6% in 2021, compared to the previous year.

Despite the continued increase in prices, harmonized inflation in Greece has fluctuated at lower levels than the European one during the previous year, while at the beginning of 2022 it fluctuated higher than the European index (Feb. 2022: 5.7%, Mar. 2022: 7 .5%) as the overall inflation in Greece in the first quarter of 2022 increased further and in March 2022 it stood at 8.0%[1].

In addition to the above, Russia's invasion in Ukraine on February 24, 2022 has caused uncertainty in both the markets and the development of macroeconomic conditions, while in addition the sanctions imposed by the United States, the European Union, the United Kingdom and other countries has affected transactions with those involved in the sanctions.

Factoring Industry Overview

Within the above economic environment, the turnover (volume of factored receivables) of the factoring services market in Greece stood on 31.12.2021 at Euro 17,656.30 million showing an increase by 22.36% compared to 2020. More specifically, domestic Factoring services increased by 21.28% compared to 2010, in contrast to international Factoring services which increased by 29.33% compared to 2020[2].

2. Analysis of the Company's ongoing operations

In the context of the abovementioned economic environment, the Company's turnover (volume of factored receivables) showed an increase in 2021, by 18.39% compared to 2020, standing at Euro 4,680,214,999.54 (87% domestic, 13% International), maintaining its leading position in the Greek Factoring Market.

In 2021 the total customer receivables before the provision for impairment losses as of 31.12.2021, stood at Euro 584,971,428.70, increased by 38.95% compared to 31.12.2020.

The Company's profitable course continued in 2021, with earnings before income tax standing at Euro 10,309,132.17, reduced by 7.91% compared to 2020.

Non-performing receivables at 31.12.2021 showed a decrease by 12.09%, compared to 31.12.2020, and amounted to Euro 5,423,841.36.

Upon the implementation of the procedures stated in "Impairment Policy of Receivables due from Customers" and the implementation of the International Financial Reporting Standard (IFRS 9) "Financial Instruments" (Regulation 2016/2067/22.11.2016), the proportion of the impaired receivables due from customers climbed at 0.92% over the total amount factored as of 31.12.2021 (Euro 5,389,454.71).

ABC FACTORS is a member of Factors Chain International (FCI) since 1995 and of International Trade & Forfaiting Association (I.T.F.A.) since 2006, regarding forfaiting services, while it constituted one of the founding members of the Hellenic Factors Association (H.F.A.)

[1] Source: ECONOMIC FINANCIAL OUTLOOK – ALPHA BANK, APRIL 2022
[2] Source: Greek Factoring Association

The main events which drove the Company's progress in 2021, are the following:

1. The third wave of the Covid19 pandemic during the first quarter of 2021 in Europe as well as in Greece combined with the continued imposition of restrictive measures against the pandemic.
2. The smooth operation of the Company and the uninterrupted provision of services to its customers under the regime of the restrictive measures imposed and the minimization of any possible operational risk from working remotely was achieved through the utilization of both the Company's and its parent Bank existing technological facilities.
3. Ensuring a safe working environment for staff by taking all appropriate safety measures against the transmission of Covid-19 in a timely manner.
4. The strength of government business support/financing programs for part of 2021, which did not include Factoring services.
5. The gradual economic recovery especially during Q4/2021 which affected both turnover and discount balances.
6. Maintaining return on assets as a result of strong and resilient operating profitability despite adverse conditions due to Covid-19.
7. The qualitative enhancements of the central IT application of factoring services, with the aim of both improving productivity and reducing operational risk, as well as achieving regulatory and supervisory compliance of the Company.
8. Design and commencement of the installation project of the interface system with customers and debtors + on boarding (Tesla Radius) and its connection to the web banking of ALPHA BANK (a project that has been included in the digital transformation of the Alpha Services and Holdings Group).

The basic figures of the Company for 2021 can be summarized as follows:

	31.12.2021	**31.12.2020**	**(%) change**
Advances to customers (before provisions)	584,971,428.70	420,993,236.72	38.95%
Provisions for credit impairment losses on due from customers	5,389,454.71	6,200,666.75	-13.08%
Net interest income	8,740,589.83	9,678,424.86	-9.69%
Net commission income	5,764,137.73	5,653,959.59	1.95%
Total income	14,513,184.67	15,320,453.94	-5.27%
Total operating expenses	4,445,714.62	4,234,693.82	4.98%
Profit before income tax	10,309,132.17	11,195,144.90	-7.91%

Performance Indicators			
		31.12.2021	31.12.2020
Return on Equity Index	Net Profit / Total Equity	6.22%	6.37%
Return on Assets Index	Net Profit / Total Assets	1.49%	2.00%

Risk Indicators			
		31.12.2021	31.12.2020
Coverage ratio of Non-Serviced Exposures from provisions	Non-performing exposures / Provisions for credit impairment losses on due from customers	100.64%	99.50%
Index of Non-Serviced Exposures	Non-performing exposures / Advances to customers before provisions for impairment	0.93%	1.47%

3. Risk Management

The Company has established a framework of thorough and discreet management of all kinds of its risks, taking into account the best practices and in line with that imposed by the supervisory requirements. This framework, which it is based on the common European legislation and the current system of common banking rules, principles and standards, is improving continuously over the time in order to be applied in a daily conduct of its activities, considering at the same time the best European trade finance practices, making the Company's corporate governance effective.

In note 45 on the financial statements of 31.12.2021, prepared in accordance with International Financial Reporting Standards, detailed information is provided regarding the Company's objectives and policies regarding the management of all types of financial risks as well as its exposure to them.

During 2021, the Company took all necessary and appropriate measures in order to protect itself against all types of financial risks. The main objective of the Company during 2021 was to maintain the high quality of its internal corporate governance and to comply with the regulatory and supervisory provisions for risk management.

Under this perspective and aiming to further strengthen and improve the risk management framework in 2021, the following actions have been performed:

- Approval of the Risk Appetite Framework.
- Update of the Policy on the Prevention of Conflict of Interests
- Update of the Anti- Money Laundering and Combatting the Financing of Terrorism (AML/ CFT policy)
- Operational Risk Indices have been updated.
- Implementation of further initiatives in order to enhance the level of automation, accuracy, comprehensiveness, quality, and validation of data.
- Continuous upgrade of databases.
- In line with the Company's established Operational Risk framework, the Risk and Control Self-Assessment (RCSA) procedure was implemented during the year. The RCSA procedure aims to identify and assess risks that may affect the operations of the Company, as well as design and implement action plans for their remediation.
- Completion of the annual risk assessment of the Company's outsourcing contracts.

Having as its main objective the implementation and continuous improvement of this framework, the Company placed great emphasis on minimizing its exposure to market risk (interest rate risk), credit and operational risk as well as liquidity risk and cash flow risk, all of which are monitored by the relevant competent Units.

Environmental Risk

With a view to ensuring its sustainable development, the Company is committed to operating responsibly, taking into account the economic, social and environmental parameters of its operation.

In this context, it follows the principles of environmentally and socially responsible lending, as they are defined at Group level. In addition, it seeks to reduce its environmental footprint by promoting the rational use of lighting, heating and cooling facilities in its buildings, the use of environmentally friendly equipment, carrying out actions for the efficient use of raw materials and applying the principle of circular economy "reduction, reuse, recycling".

Staff

Regarding the social and labor issues, the Company operates responsibly in terms of the development and retention of its employees, Human rights and fair work practices as well as the Social contribution.

The number of employees on 31.12.2021 amounted to 78 people with the female population representing 65% of the employees, while the male 35%. The educational level of the employees is constantly improving, with the holders of high school diplomas representing the 26.92%, the university graduates representing the 43.59% and the holders of postgraduate degrees representing the 29.49% of the total.

For the Company, the priority is the possibility of personal development of human resources, which is achieved through continuous education and training. The work environment is designed to promote creativity, continuous improvement and professionalism, while supporting the efforts of Employees and Executives to attend postgraduate programs and obtain professional certificates.

4. Capital Adequacy

The supervisory framework for factoring companies, is specified by the Governor's Acts of the Bank of Greece dated 27.09.2021 as follows:

Decision No.193/1: Terms and conditions for the granting of operational and establishment license to a) leasing companies, b) companies engaged in credit granting services and c) factoring agency companies - Special holdings - Repeal of no. 2622/21.12.2009 Act of the Governor "Conditions for granting operational and establishment license and supervision rules related to a) financial leasing companies, b) companies engaged in credit granting services and c) factoring agency companies" (B΄ 3/2010) and other Acts of the Governor of the Bank of Greece.

Decision No. 193/2: Rules for the prudential supervision of financial leasing companies, companies engaged in credit granting services, factoring agency companies and companies engaged in providing microfinance services of Law 4701/2020.

In particular, under decision No. 193/2 it is stated that "The amount of the supervisory equity capital of the institutions herein is not allowed to fall short of the prescribed, as the case may be, minimum initial capital throughout the period of their operation".

The Company is in full compliance with the above decisions, and the amount of its supervisory capital far exceeds the capital required, based on the above decisions.

5. Prospects for the Company

As shown by the current status of the Company's operations, the current year's profitability is expected to remain at satisfactory levels.

The dynamics of 2021 combined with the expected utilization of the resources of the Recovery and Resilience Fund initially predicted a GDP growth of around 5% in 2022. Real GDP growth is, however, estimated to weaken due to the impact of the invasion of Russian troops in Ukraine in February 2022, the energy crisis, price inflation, supply chain disruption as well as the expected slowdown in the implementation of investment programs due to the uncertainty of the time and magnitude of the impact of these factors on the international and Greek economy.

Given the above, as well as the interruption of financial and fiscal support programs for businesses affected by Covid19, it is estimated that Factoring services will be an essential tool for financing working capital, securing commercial transactions within the supply chain as well as sales (insurance coverage) of businesses inside and outside of Greece.

The objectives and prospects of the Company for the year 2022 are summarized as follows:

1. Maintaining its leading position in the market, in terms of market share, but also its high profitability, taking advantage of the opportunities created in those sectors that are the pillars of support and development of the Greek economy.
2. Emphasis on further development of individually tailored services "Supply Chain Finance" (reverse factoring, non-recourse factoring, forfaiting), aiming to cover the multiple needs of the cooperating companies.
3. Targeting penetration into sectors of the economy with prospect of growth, such as energy and telecommunications (where the Company has developed specialized "products") trade of raw materials and provision of services in industrial and processing units.
4. Extension of the strategic cooperation with the European Bank for Reconstruction and Development (EBRD) for an additional Euro 20 million credit line, with the aim of providing liquidity to Small and Medium Enterprises.
5. Installation of an interface system with customers and debtors + on boarding (Tesla Radius) and its connection to the web banking of ALPHA BANK (a project included in the digital transformation of the Alpha Services and Holdings Group called "e-factoring") with the aim of:

i. The digital transformation of the Company
ii. The optimal service and adaptation of services to changing customer needs.
iii. The digitization of internal services as well as the Company's transactions.
iv. The ongoing improvement of all types of risk management, through considering international practices.
v. Achieving economies of scale with the improvement of services provided to customers.

The sustained growth of the Company is driven by the high degree of technical expertise among the Company's skilled personnel, the support provided by the Bank (our parent company) and mostly to the Company's commitment towards its customers to create value by providing services and products customized to meet their needs.

6. Other Information

6.1 There are no securities held by the Company.

6.2 There is no significant exposure to exchange risk (note 45.2 on the financial statements of 31.12.2021)

6.3 No property is held by the Company.

6.4 There are no research and development activities.

6.5 There is no acquisition of own shares.

6.6 The Company maintains a branch in Northern Greece with headquarters in Thessaloniki.

6.7 There are no losses for previous years nor are there any losses for the current year.

7. Other significant events that occurred between the end of the fiscal year and the date of submission of the report.

A. Russia's invasion in Ukraine on February 24, 2022 has caused uncertainty in both the markets and the development of macroeconomic conditions, while the sanctions imposed by the United States, the European Union, the United Kingdom and other countries has affected transactions with those involved in the sanctions.

On 31.12.2021 the Company had a value of assigned receivables from debtors based in Russia amounting to Euro 1.57 million, of which Euro 1.06 million had been discounted, while the value of receivables from debtors based in Ukraine amounted to Euro 0.57 million of which Euro 0.39 million had been discounted. These receivables come from exports of Greek suppliers, which are customers of the Company, and are all insured by trade credit insurance companies.

At the date of publication of the Financial Statements of 31.12.2021, there are neither assigned receivables nor any discounted amount related to receivables from debtors based in Russia and / or Ukraine.

The Company monitors the evolving crisis and evaluates the effects on its business activities, its financial position and its profitability, but given the fact that, on the date of publication of the Financial Statements, there are no trade claims nor discounted ones from both Russia and Ukraine, Russia's invasion in Ukraine in early 2022, as well as the sanctions imposed on Russia, are not expected to affect the Company's operations.

B. The balances of the Bonds issued by the Company on 31.12.2021, as mentioned in note 36, did not change from 1.01.2022 until the date of publication of the Financial Statements.

On March 16, 2022, the Company entered into two different contractual agreements with the indirect parent bank, Alpha Bank, to cover those debenture loans, under the provisions of Law 3156/2003 and Law 4548/2018. The principal amount of each loan is Euro 40,000,000 and the repayment date is 28.06.2024 and 16.03.2025 respectively. Further details with reference to these loans can be found in Note 52 of the Financial Statements as of 31.12.2021.

On April 29, 2022, the Company increased the provision of credit facilities, based on the contract with the European Bank for Reconstruction and Development (EBRD) dated November 30, 2020, from Euro 20m to Euro 40m.

There are no other significant events occurred following the date of the preparation of the Company's Financial Statements, which should be addressed here, except for the above.

Athens, 21 June 2022

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER
Ioannis M. Emiris I.D. No AP 104025	Maria M. Raikou I.D. No AK 199121

FINANCIAL STATEMENTS AS AT 31.12.2021

(In accordance with International Financial Reporting Standards – I.F.R.S.)

Athens,
21 June 2022

TABLE OF CONTENTS

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ABC FACTORS SINGLE MEMBER S.A.

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of ABC FACTORS SINGLE MEMBER S.A. (the Company), which comprise the balance sheet as at 31 December 2021, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as these have been incorporated into the Greek legislation. Our responsibilities under those standards are further described in the paragraph "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We have been independent of the Company during the whole period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as incorporated into the Greek legislation and the ethical requirements in Greece relevant to the audit of the financial statements and we have fulfilled our ethical requirements in accordance with the applicable legislation and the above mentioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern accounting basis unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been incorporated into the Greek legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, as these have been incorporated into the Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern accounting basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Taking into consideration that Management is responsible for the preparation of the Board of Director's report, according to the provisions of paragraph 5 of the article 2 (part B) of Law 4336/2015, we note the following:

a. In our opinion, the Board of Director's report has been prepared in accordance with the applicable legal requirements of article 150 of Law 4548/2018 and its content is consistent with the accompanying financial statements for the year ended 31/12/2021.

b. Based on the knowledge we obtained during our audit of the company ABC FACTORS SINGLE MEMBER S.A. and its environment, we have not identified any material inconsistencies in the Board of Director's Report.

Athens,27 June 2022

The Certified Public Accountant

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INCOME STATEMENT

	Note	*Amounts in Euro* From 1 January to 31.12.2021	31.12.2020 as restated
Interest and similar income	20	13,591,756.49	15,433,822.77
Interest expense and similar charges	20	(4,851,166.66)	(5,755,397.91)
Net interest income	20	8,740,589.83	9,678,424.86
Commission income	21	8,328,311.57	8,302,850.36
Commission expense	21	(2,564,173.84)	(2,648,890.77)
Net commission income	21	5,764,137.73	5,653,959.59
Gains / (losses) on financial transactions		1,932.52	(12,035.75)
Other income	22	6,524.59	105.24
.		8,457.11	(11,930.51)
Total income		**14,513,184.67**	**15,320,453.94**
Staff costs	23	(3,100,065.57)	(3,049,200.64)
General administrative expenses	24	(860,436.70)	(808,356.30)
Depreciation and amortization expenses	30-31	(485,212.35)	(377,136.88)
Total expenses		**(4,445,714.62)**	**(4,234,693.82)**
Credit (loss) expenses (including reversal of credit losses) on financial assets	25	241,662.12	176,543.35
Impairment of other assets		0.00	(67,158.57)
		241,662.12	**109,384.78**
Profit before income tax		**10,309,132.17**	**11,195,144.90**
Income tax	26	(1,524,553.96)	(2,762,607.31)
.			
Profit after income tax		**8,784,578.21**	**8,432,537.59**
Earnings per share:			
Basic and diluted (Euro per share)	27	6.43	6.17

Certain items of the previous year have been restated as detailed in note 51.

The attached notes (pages 13 to 80) form an integral part of the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

	Note	*Amounts in Euro* From 1 January to 31.12.2021	31.12.2020 as restated
Profit, after income tax, recognized in the Income Statement		**8,784,578.21**	**8,432,537.59**
Amounts that are not reclassified in the Income Statement			
Change in actuarial gains/(losses) on employee defined benefit obligations	38	3,151.00	(7,407.00)
Income tax		(4,759.21)	1,777.68
Total of other comprehensive income recognized directly in equity, after income tax		**(1,608.21)**	**(5,629.32)**
Total comprehensive income for the period, after income tax		**8,782,970.00**	**8,426,908.27**

Certain items of the previous year have been restated as detailed in note 51.

The attached notes (pages 13 to 80) form an integral part of the financial statements.

BALANCE SHEET

	Note	*Amounts in Euro* From 1 January to 31.12.2021	31.12.2020 as restated
ASSETS			
Cash	28.1	624.27	1,364.69
Due from banks	28.2	5,165,040.46	2,603,333.12
Due from customers	29	579,581,973.99	414,792,569.97
Property, plant and equipment	30	2,596,218.81	2,887,242.42
Intangible assets	31	647,619.53	501,071.35
Other assets	33	273,802.65	192,084.09
Total Assets		**588,265,279.71**	**420,977,665.64**
LIABILITIES			
Due to banks	34	172,861,577.04	34,286,234.49
Due to customers	35	5,419,666.20	5,012,840.70
Debt securities in issue	36	255,035,924.00	235,035,097.00
Liabilities for current income tax and other taxes	37	855,915.33	1,202,321.62
Deferred tax liabilities	32	8,979,441.35	9,235,662.61
Employee defined benefit obligations	38	164,974.00	147,127.00
Other liabilities	39	3,798,312.36	3,718,674.29
Total Liabilities		**447,115,810.28**	**288,637,957.71**
EQUITY			
Share capital	40	41,000,010.00	41,000,010.00
Share premium		64,746.88	64,746.88
Statutory reserve	41	9,201,986.58	8,780,310.68
Retained earnings	42	90,882,725.97	82,494,640.37
Total Equity		**141,149,469.43**	**132,339,707.93**
Total Liabilities and Equity		**588,265,279.71**	**420,977,665.64**

Certain items of the previous year have been restated as detailed in note 51.

The attached notes (pages 13 to 80) form an integral part of the financial statements.

STATEMENT OF CHANGES IN EQUITY

Amounts in Euro	Note	Share capital	Share premium	Statutory reserve	Retained earnings	Total
Balance 31.12.2019		**41,000,010.00**	**64,746.88**	**8,241,502.05**	**74,189,192.37**	**123,495,451.30**
Impact from the amendment of the accounting policy for the calculation of defined benefit obligations	51				375,619.36	**375,619.36**
Balance 1.1.2020		**41,000,010.00**	**64,746.88**	**8,241,502.05**	**74,564,811.73**	**123,871,070.66**
1.1-31.12.2020						
Total comprehensive income for the period, after income tax		-	-	-	8,426,908.27	**8,426,908.27**
Valuation reserve of employee stock option program		-	-	-	41,729.00	**41,729.00**
Appropriation of retained earnings to statutory reserve	41	-	-	538,808.63	(538,808.63)	**-**
Balance 31.12.2020		**41,000,010.00**	**64,746.88**	**8,780,310.68**	**82,494,640.37**	**132,339,707.93**

Amounts in Euro	Note	Share capital	Share premium	Statutory reserve	Retained earnings	Total
Balance 1.1.2021		**41,000,010.00**	**64,746.88**	**8,780,310.68**	**82,494,640.37**	**132,339,707.93**
Changes in equity for the period 1.1-31.12.2021						
Total comprehensive income for the period, after income tax		-	-	-	8,782,970.00	**8,782,970.00**
Valuation reserve of employee stock option program		-	-	-	33,226.00	**33,226.00**
Appropriation of retained earnings to statutory reserve	41	-	-	421,675.90	(421,675.90)	**-**
Other movements					(6,434.50)	**(6,434.50)**
Balance 31.12.2021		**41,000,010.00**	**64,746.88**	**9,201,986.58**	**90,882,725.97**	**141,149,469.43**

Certain items of the previous year have been restated as detailed in note 51.

The attached notes (pages 13 to 80) form an integral part of the financial statements.

STATEMENT OF CASH FLOWS

	Note	*Amounts in Euro* From 1 January to 31.12.2021	31.12.2020
Cash flows from operating activities			
Profit before income tax		**10,309,132.17**	**11,195,144.90**
Adjustments to profit before income tax for:			
Depreciation of property, plant and equipment	30	380,051.13	285,379.99
Amortization of intangible assets	31	105,161.22	91,756.89
Expense / (income) on pension plans	38	60,998.00	26,191.00
Impairment losses / (releases) for receivables	25	(230,805.89)	(58,411.50)
Impairment of other assets		-	67,158.57
Interest on debt securities in issue	20	4,072,472.81	5,408,263.57
Interest from lease liabilities		37,884.99	21,142.97
		14,734,894.43	**17,036,626.39**
increase / decrease:			
Due from customers		(164,617,009.63)	103,741,415.12
Other assets		(81,718.56)	295,662.08
Due to banks		138,575,342.55	(24,492,563.63)
Due to customers		406,825.50	915,999.44
Other liabilities		366,839.27	(634,643.48)
Other taxes		141,502.48	(390,923.18)
Net cash flows from operating activities before taxes		**(10,473,323.96)**	**96,471,572.74**
Income tax paid		(2,279,877.70)	(815,496.72)
Net cash flows from operating activities		**(12,753,201.66)**	**95,656,076.02**
Cash flows from investing activities			
Acquisitions of fixed assets	30-31	(296,211.00)	(73,714.21)
Net cash flows from investing activities		**(296,211.00)**	**(73,714.21)**
Cash flows from financing activities			
Receipts of debt securities in issue	36	160,000,000.00	160,000,000.00
Repayments of debt securities in issue	36	(144,071,645.81)	(255,413,305.57)
Interest from lease liabilities	39	(37,884.99)	(21,142.97)
Lease repayments	39	(280,089.62)	(212,260.99)
Net cash flows from financing activities		**15,610,379.58**	**(95,646,709.53)**
Net increase/(decrease) in cash flows		**2,560,966.92**	**(64,347.72)**
Cash and cash equivalents at the beginning of the year	28	**2,604,697.81**	**2,669,045.53**
Cash and cash equivalents at the end of the year	28	**5,165,664.73**	**2,604,697.81**

Certain items of the previous year have been restated as detailed in note 51.

The attached notes (pages 13 to 80) form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
GENERAL INFORMATION

ABC FACTORS SINGLE MEMBER S.A. was established in 1995 and has been operating up to this date under the distinctive title “ABC FACTORS” (the Company).

The Company’s registered office is 48 Michalakopoulou Street, Athens and is listed in the General Commercial Registry with registration number 1803101000 as well as in the Societe Anonyme Registry under number 32684/01/B/95/32.

The Company’s duration has been set to fifty years and may be extended by resolution of its Shareholders’ General Assembly.

The Company’s purpose is to provide all types of factoring services in accordance with the provisions of Law 1905/1990.

ABC FACTORS is a subsidiary of Alpha Bank (Group), which owns indirectly 100% of the Company’s share capital, while ALPHA HOLDINGS SINGLE MEMBER .S.A. which owns directly 100% of the Company’s share capital is the latter’s parent company.

On April 16, 2021, the ultimate parent company Alpha Bank ("demerged") by way of hive-down of the banking business sector transferred its main banking activities to a new company - credit institution with the name "ALPHA BANK S.A." ("beneficiary" or ALPHA BANK). The ultimate parent company, which now owns the shares of "ALPHA BANK S.A." ("beneficiary"), retained activities, assets and liabilities that were not connected to the main banking activities and was renamed "ALPHA SERVICES AND HOLDINGS S.A." .

Therefore, the Company's financial statements are included in the consolidated financial statements of the Alpha Services and Holdings Group using the full consolidation method.

The tenure of the Board of Directors which was elected by the Ordinary General Meeting of Shareholders of June 27, 2017 has been set at five years and is to be extended until the date of the immediately succeeding Ordinary General Meeting of Shareholders. The Board of Directors consists of:

CHAIRMAN (Non-Executive Member)

Ioannis M. Emiris

General Manager Wholesale Banking , Alpha Bank

VICE CHAIRMAN (Non-Executive Member)

Alexios A. Pilavios**

CHIEF EXECUTIVE OFFICER & GENERAL MANAGER (Executive Member)

Maria M. Raikou

MEMBERS

Tilemachos D. Georgakis (Non-Executive Member) *
Senior Manager, Commercial Banking Division, Alpha Bank

Ioannis G. Mourgelas (Non-Executive Independent Member) *
Lawyer

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* Member of Audit Committee
** Member of Risk Management Committee

Christos A. Economou (Non-Executive Member) */**
Manager, Wholesale Credit Division – International, Alpha Bank

Antonios K. Chronis (Executive member) **
Finance & Administration Manager, ABC FACTORS

The auditor of the annual financial statements is Mr. Theodoros Tasioulas, with A.M. SOEL 41061, from Deloitte Certified Public Accountants S.A. (A.M. E120).

These financial statements have been approved by the Board of Directors on June 21st, 2022.

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* Member of Audit Committee
** Member of Risk Management Committee

ACCOUNTING POLICIES APPLIED

1. Basis of presentation

The financial statements for the current period ending at 31.12.2021 have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union, in accordance with Regulation 1606/2002 of the European Parliament and the Council of the European Union on 19 July 2002.

The accounting policies applied by the Group in preparing the financial statements are the same as those stated in the published financial statements for the year ended on 31.12.2020, after taking into account:

a) the amendments to standards analyzed below, which were issued by the International Accounting Standards Board (IASB), adopted by the European Union and applied on 1.1.2021, and

b) The decision of the IFRS Interpretations Committee (IFRIC Committee) "IAS 19: Employee Benefits - Attributing benefit to periods of service." More specifically, the decision stipulates that the attribution of benefits in periods of service must comply with the condition of receiving the benefit, which is the completion of the years of services required in order to be entitled to a "full old-age pension", and it is applied provided there is no legal or constructive payment obligation in cases of voluntary resignation or early retirement. The Company within the year adopted the above decision and retrospectively amended the method of attributing in the periods of service the benefits of the defined benefit plan prescribed by the indemnity benefit scheme of the Greek labor law. As a result, the attribution of benefits in periods of service no longer starts from the first day of employment and until the completion of 16 years of service, but it should be attributed in the last 16 years of service and until the employee reaches the retirement age. Especially for the employees who had completed more than 17 of service in the Company at the time that Law 4093/2012 was implemented, the benefits are attributed per year of service in the last so many years for which they had established the right to the retirement benefit at the time of the implementation of the aforementioned law. The application of this accounting policy did not have any significant impact on the Company's financial position as at 1.1.2020 (note 51).

The financial statements have been prepared on the historical cost basis.

The financial statements are presented in Euro, unless otherwise indicated.

The estimates, assumptions and judgments applied by the Company for making decisions which affect the preparation of the financial statements are based on historical data and assumptions which, under present circumstances are considered appropriate.

The estimates and judgments are reviewed in order to take into account current developments and the effects of any changes are recognized in the financial statements in the year that such changes occur.

Going concern principle

The financial statements as at 31.12.2021 have been prepared based on the going concern principle. For the application of this principle, the Board of Directors took into account current economic developments and made estimates for the formation, in the near future, of the economic environment in which it operates.

In this context, the Company assessed the following areas which are considered important during its assessment:

In early 2020, the emergence and rapid spread of the Covid-19 pandemic overturned the growth prospects of the global and the Greek economy. Many governments, in an effort to boost the resilience of their national economies, have taken to an unprecedented extent emergency fiscal measure to support national health systems and ensure employment and entrepreneurship. The fiscal support policy that the government has followed mitigated, in part, the adverse effects of the recession that reached 9% on an annual basis in 2020. The swift and strong recovery of economic activity in the first nine months of 2021, recouped a significant part of the losses registered because of the recession of the previous year, as GDP at constant prices increased by 8.3% on an annual basis based on the adjusted criteria.

The steep rebound of GDP in 2021 can be attributed, firstly, to the private consumption, which increased by 7.8%, on an annual basis, contributing by 5.5 points on GDP growth and which was driven by the sharp increase in savings and the rise in employment. Investments have marked the second greater positive contribution to the GDP increase in 2021 (2.3 percentage points), as they increased by 19.6%, which amongst individual categories was mainly attributed to the rise of investment in machinery and technological equipment (+34.5% on an annual basis).

The good performance of exports of services, and especially the remarkable recovery of tourism in 2021, have resulted in the positive contribution of net exports to the GDP increase, by 0.9 percentage points. Finally, public consumption has increased by 3.7% in 2021, in comparison to 2020, contributing to GDP increase by 0.8 percentage points, as a result of fiscal interventions addressing the negative impacts of the pandemic, as well as other fiscal support measures for the strengthening of households and businesses, which include, amongst others, the provision of subsidies for heating, electricity and petroleum. On the contrary, inventories have significantly decreased, during the previous year, deducting 1.1 percentage points from the GDP rise.

Some particularly favorable indications that the recovery of the Greek economy will be strong are the following:
First, conditions for the change of the composition of the economic growth are put in place, which is expected to derive mainly from investment expenditure. The increase of investment in the short-term will be determined by the evolution of the country's sovereign credit rating towards the so-called "investment grade", the disbursement of funds in the context of the Recovery and Resilience Facility (RRF), as well as the implementation of structural reforms that will establish a business-friendly environment. The RRF funding can be demonstrated a stable basis for a strong continued growth of the Greek economy and is expected to mobilize new investments and sustainable growth rates. The funds, according to the National Recovery and Resilience Plan (NRRP), are expected to mobilize new investments of around EUR 57.5 billion in 2021-2026, covering to a large extent the investment gap that was created in Greece in the previous decade.
Secondly, in the estimation for new increase of tourist arrivals and proceeds from tourism, the significant recovery of turnover of businesses and finally, the gradual stabilization of the Economic Sentiment Indicator (ESI).

Despite the positive expectations, the challenges and uncertainties are retained with regards to the evolution of the disease Covid-19 and its mutations, as well as the potential impacts of permanent nature in productivity, employment, behavior of households, resilience of businesses and risks of financing the economically weak economies. In addition, inflation, as measured by the harmonized index of consumer prices, has increased the second half of 2021 primarily due to the rising energy prices globally, the supply chains disruptions and shortages of raw materials. In December 2021 the harmonized index of consumer prices increased by 4.4%, compared to -2.4% in the respective month of 2020, while the average ratio increased in 2021 by 0.6% compared to the previous year. In 2022, the harmonized index is expected to amount to 3.1% according to the Organization for Economic Co-operation and Development (World Economic Outlook, December 2021) and to 3% according to the European Central Bank (Eurosystem staff macroeconomic projections for the euro area countries, December 2021).

Finally, the economic implications of the full-scale invasion from Russia to Ukraine at the beginning of the year, as well as the sanctions against Russia, are basically related with a longer period of inflation tensions in Eurozone. These tensions are fueled by gas, oil and food prices which are expected to remain high over the medium term, as well as from increased uncertainty from the disruption in financial markets. As a result, the impact of high energy prices on households' real incomes as well as on industries supply lines, is expected to weaken the increase in private consumption. Consequently, the three basic channels through which it is expected that the geopolitical developments will affect the Greek economy are the energy prices, tourism and a potential disruption of financial markets. The potential economic or non-economic impact of these conditions on the Company depends on the manner that the crisis is going to unfold. This crisis and its impact on the domestic and global economic conditions could affect the capacity of the Company to generate income or satisfy financial targets, increase expenses, or result in higher expected credit losses. Given the fact that, as of the date of publication of the Financial Statements, there are no trade receivables from both Russia and Ukraine, Russia's invasion of Ukraine in early 2022, and the sanctions imposed on Russia, are not expected to affect the Company's operations. (note 52).

Regarding the liquidity levels of the Group Alpha Services and Holdings, through which the Company satisfies most of its borrowing needs, it is noted that there was no adverse change due to Covid-19 in terms of the ability to draw liquidity from the Eurosystem Mechanisms and from repos interbank transactions (with or without collateral). The Bank made use of the TLTRO III program of the European Central Bank and ensured long-term liquidity with very low interest rates. In this context, the total financing from the European Central Bank on 31.12.2021 amounts to € 12.9 billion. In addition, in order to reinforce its liquidity, the Bank issued on 16.9.2021 a senior preferred bond, amounting to € 500 mil., with a 6.5-year maturity, callable in year 5.5 with a coupon of 2.5% and a yield of 2.625%, while, additionally on 10.12.2021 the Bank issued a senior preferred bond, amounting to € 400 mil, with a 2-year maturity, with a coupon of 3% and callable the first year. In addition, it is important that the European Central Bank, in its decisions in March, April and December 2020, accepted the securities of the Hellenic Republic as collateral for liquidity operations. It is noted that the available eligible collaterals through which the drawing of liquidity from the Eurosystem Mechanisms and / or from third sources is ensured, to the extent required, amounts to € 13 billion as of 31.12.2021. In addition, during the year there was an increase in private sector deposits of € 3.6 billion. As a result of the above, the liquidity ratios (liquidity coverage ratio and net stable funding ratio) exceed the supervisory limits that have been set. In addition, considering the conditions that form the current economic environment, stress test exercises are carried out regularly for liquidity purposes, in order to assess possible outflows (contractual or potential). Based on these exercises, the Group successfully overcomes the liquidity short term stress scenarios (idiosyncratic, systemic and combined), retaining a high liquidity buffer. As a result, based on the Group's plan as well on internal stress tests the Group has sufficient liquidity reserves to meet its needs.

Based on the above and taking into account:

- the strong capital structure of the Company, in combination with its full compliance with decision numbers 193/1 and 193/2 of the Bank of Greece (note 46),
- the sufficient liquidity of Alpha Services and Holdings Group,
- the measures taken to protect its employees from coronavirus, the implementation of actions under the Business Continuity Plan of the Company and the activation of the ability for teleworking at a large scale whilst ensuring that critical operations are performed,
- the decisions of the eurozone countries to adopt a series of fiscal and other measures to stimulate the economy, according to which Greece is expected to receive € 30.5 billion from the recovery package for Europe "Next Generation EU",
- that even though the prolonged duration as well as the form that the Russia and Ukraine war conflict will possibly take may adversely affect the macroeconomic environment, the Group as well as the Company (Note 52, Events after the Balance Sheet date) has limited exposure to Russian and Ukrainian economy as well as significant buffers of capital adequacy and liquidity,

the Company estimates that, at least for the next 12 months from the date of approval of the financial statements, the conditions for the application of the going concern principle for the preparation of financial statements are met.

Adoption of new and amended standards

Listed below are the modifications of standards applied from 1.1.2021:

► **Amendment to International Financial Reporting Standard 4** "Insurance Contracts": Extension of the temporary exception from applying IFRS 9 (Regulation 2020/2097/15.12.2020) On 25.6.2020 the International Accounting Standards Board issued an amendment to IFRS 4 with which extended the temporary exception from applying IFRS 9 by two years. In this context, companies that have used the temporary exception from applying IFRS 9 shall apply the standard by 1.1.2023.

The adoption of the above amendment had no impact on the financial statements of the Company.

► **Amendment to International Financial Reporting Standard 9** "Financial Instruments", to **International Accounting Standard 39** "Financial Instruments: Recognition and measurement", to **International Financial Reporting Standard 7** "Financial Instruments: Disclosures", to **International Financial Reporting Standard 4** "Insurance Contracts" and **International Financial Reporting Standard 16** "Leases": Interest rate benchmark reform – phase 2 (Regulation 2021/25/13.1.2021)

On 27.8.2020 the International Accounting Standard Board issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 in the context of Phase 2 of the IBOR project that address issues that arise following the reform of an interest rate benchmark rate, including the replacement of one benchmark rate with an alternative one. The key reliefs provided by the Phase 2 amendments are as follows:
- Changes to contractual cash flows: When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes that are required by an interest rate benchmark reform will not result in an immediate gain or loss in the income statement but in the recalculation of the interest rate. The same practical expedient applies for insurers that are applying the temporary exemption from IFRS 9.
- Hedge accounting: The hedge accounting reliefs ensure that changes to the hedge documentation do not result in the discontinuation of hedge accounting nor the designation of a new hedge relationship, as long as the only changes are those permitted by the Phase 2 Amendments. Permitted changes include redefining the hedged risk to reference a risk-free rate and redefining the description of the hedging instruments and/or the hedged items to reflect the risk-free rate. However, additional ineffectiveness might need to be recorded in profit or loss statement.

The adoption of the above amendments has no impact on the financial statements of the Company.

► **Amendment to International Accounting Standard 16** "Leases": Covid-19 Related rent concessions beyond 30 June 2021 (Regulation 2021/1421/30.8.2021)

On 31.3.2021 the International Accounting Standards Board issued an amendment to IFRS16 with which it extended by one year the possibility of the lessee to elect (practical expedient) not to assess whether a rent concession is a lease modification. The practical expedient had been provided with the amendment of the standard issued on 28.5.2020.

The adoption of the above amendment had no impact on the financial statements of the Company.

Except for the standards mentioned above, the European Union has adopted IFRS 17 as well as the following amendments to standards which are effective for annual periods beginning after 1.1.2022 and have not been early adopted by the Company.

► **Amendment to the International Financial Reporting Standard 3** "Business Combinations": Reference to the Conceptual Framework (Regulation 2021/1080/28.6.2021)
Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board amended IFRS 3 in order to update references to the Conceptual Framework. More specifically:
- amended IFRS 3 in order to refer to the latest version of the Conceptual Framework,
- added a requirement that for transactions within the scope of IAS 37 or IFRIC 21 an acquirer applies IAS 37 or IFRIC 21 instead of the Conceptual Framework to identify liabilities it has assumed in a business combination,
- added an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The adoption of the above amendment is not expected to have any impact on the financial statements of the Company.

► **International Financial Reporting Standard 17** “Insurance Contracts” and **Amendment to International Financial Reporting Standard 17** “Insurance Contracts” (Regulation 2021/2036/19.11.2021)

Effective for annual periods beginning on or after 1.1.2023.

On 18.5.2017 the International Accounting Standards Board issued IFRS 17 which replaces IFRS 4 “Insurance Contracts”. In contrast to IFRS 4, the new standard introduces a consistent methodology for the measurement of insurance contracts. The key principles in IFRS 17 are the following:
An entity:
• identifies as insurance contracts those contracts under which the entity accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event adversely affects the policyholder;
• separates specified embedded derivatives, distinct investment components and distinct performance obligations from the insurance contracts;
• divides the contracts into groups that it will recognise and measure;
• recognises and measures groups of insurance contracts at:

i. a risk-adjusted present value of the future cash flows (the fulfilment cash flows) that incorporates all of the available information about the fulfilment cash flows in a way that is consistent with observable market information; plus (if this value is a liability) or minus (if this value is an asset)

ii. ii. an amount representing the unearned profit in the group of contracts (the contractual service margin);

• recognises the profit from a group of insurance contracts over the period the entity provides insurance cover, and as the entity is released from risk. If a group of contracts is or becomes loss-making, an entity recognises the loss immediately;
• presents separately insurance revenue, insurance service expenses and insurance finance income or expenses; and
• discloses information to enable users of financial statements to assess the effect that contracts within the scope of IFRS 17 have on the financial position, financial performance and cash flows of an entity.

On 25.6.2020 the International Accounting Standards Board issued an amendment to IFRS 17 which aimed to ease implementation of the standard and make it easier for entities to explain their financial performance. Additionally, with the amendment the effective date of the standard was postponed to 1.1.2023.

Finally, it is noted that under the Regulation of the European Union that adopted above standard, an entity may choose not to apply paragraph 22 of the standard, in accordance with which an entity shall not include contracts issued more than one year apart in the same group, to:

1) groups of insurance contracts with direct participation features and groups of investment contracts with discretionary participation features and with cash flows that affect or are affected by cash flows to policyholders of other contracts;
2) groups of insurance contracts that are managed across generations of contracts and that meet the conditions laid down in Article 77b of Directive 2009/138/EC and have been approved by supervisory authorities for the application of the matching adjustment.

IFRS 17 does not apply to the financial statements of the Company.

► **Amendment to the International Accounting Standard 1** “Presentation of Financial Statements”: Disclosure of accounting policies (Regulation 2022/357/2.3.2022)
Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 1 with which it clarified that:
- The definition of accounting policies is provided by paragraph 5 of IAS 8.

- An entity shall disclose material accounting policy information. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of financial statements make.
- Accounting policy information that relates to immaterial transactions is immaterial and need not be disclosed. Accounting policy information may nevertheless be material because of the nature of the related transactions even if the amounts are immaterial. However, not all accounting policy information relating to material transactions and other events is itself material.
- Accounting policy information is material if users of an entity's financial statements would need it to understand other material information in the financial statements.
- Accounting policy information that focuses on how an entity has applied an accounting policy is more useful to users of financial statements than standardized information or information that only summarizes the requirements of IFRSs.
- If an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information.

The Company is examining the impact form the adoption of the above amendment on its financial statements.

► **Amendment to the International Accounting Standard 8** "Accounting Policies, Changes in Accounting Estimates and Errors": Definition of accounting estimates (Regulation 2022/357/2.3.2022)
Effective for annual periods beginning on or after 1.1.2023

On 12.2.2021 the International Accounting Standards Board issued an amendment to IAS 8 with which:
- Defined accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.
- Clarified that an accounting policy may require items in financial statements to be measured in a way that involves measurement uncertainty. In such a case, an entity develops an accounting estimate. Developing accounting estimates involves the use of judgements and assumptions.
- An entity uses measurement techniques and inputs to develop an accounting estimate.
- An entity may need to change an accounting estimate. By its nature, a change in an accounting estimate does not relate to prior periods and is not the correction of an error. A change in an input or a change in a measurement technique are changes in accounting estimates unless they result from the correction of prior period errors.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 16** "Property, plant and equipment": Proceeds before intended use (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 16 which prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the proceeds from selling such items and the cost of producing them must be recognized in profit or loss.

The above amendment is not expected to have a significant impact on the financial statements of the Company.

► **Amendment to International Accounting Standard 37** "Liabilities, Contingent Liabilities and Contingent Assets": Onerous Contracts – Cost of fulfilling a contract (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

On 14.5.2020 the International Accounting Standards Board issued an amendment to IAS 37 in order to clarify that the cost of fulfilling a contract comprises the costs that relate directly to the contract. These costs are both the incremental costs of fulfilling a contract – for example direct labour and materials - and an allocation of other costs that relate directly to fulfilling a contract – for example the depreciation charge of an item of property plant and equipment used in fulfilling that contract.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

► **Annual Improvements** – cycle 2018-2020 (Regulation 2021/1080/28.6.2021)

Effective for annual periods beginning on or after 1.1.2022

As part of the annual improvements project, the International Accounting Standards Board issued on 14.5.2020 non-urgent but necessary amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.

The above amendments are not expected to have any impact on the financial statements of the Company.

In addition, the International Accounting Standards Board has issued the following standards and amendments to standards that have not yet been adopted by the European Union and which have not been early applied by the Company.

► **Amendment to International Financial Reporting Standard 10** "Consolidated Financial Statements" and to **International Accounting Standard 28** "Investments in Associates and Joint Ventures": Sale or contribution of assets between an investor and its associate or joint venture.

Effective date: To be determined.

On 11.9.2014 the International Accounting Standards Board issued an amendment to IFRS 10 and IAS 28 in order to clarify the accounting treatment of a transaction of sale or contribution of assets between an investor and its associate or joint venture. In particular, IFRS 10 was amended in order to be clarified that in case that as a result of a transaction with an associate or joint venture, a parent (investor) loses control of a subsidiary, which does not constitute a business, as defined in IFRS 3, it shall recognise to profit or loss only the part of the gain or loss which is related to the unrelated investor's interests in that associate or joint venture. The remaining part of the gain from the transaction shall be eliminated against the carrying amount of the investment in that associate or joint venture. In addition, in case the investor retains an investment in the former subsidiary and the former subsidiary is now an associate or joint venture, it recognises the part of the gain or loss resulting from the remeasurement at fair value of the investment retained in that former subsidiary in its profit or loss only to the extent of the unrelated investor's interests in the new associate or joint venture. The remaining part of the gain is eliminated against the carrying amount of the investment retained in the former subsidiary. In IAS 28, respectively, it was clarified that the partial recognition of the gains or losses shall be applied only when the involved assets do not constitute a business. Otherwise, the total of the gain or loss shall be recognised.

On 17.12.2015, the International Accounting Standards Board deferred the effective date for the application of the amendment that had been initially determined. The new effective date will be determined by the International Accounting Standards Board at a future date after taking into account the results of its project relating to the equity method.

► **International Financial Reporting Standard 14** "Regulatory deferral accounts"

Effective for annual periods beginning on or after 1.1.2016

On 30.1.2014 the International Accounting Standards Board issued IFRS 14. The new standard, which is limited-scope, addresses the accounting treatment and the disclosures required for regulatory deferral accounts that are maintained in accordance with local legislation when an entity provides rate-regulated goods or services. The scope of this standard is limited to first-time adopters that recognized regulatory deferral accounts in their financial statements in accordance with their previous GAAP. IFRS 14 permits these entities to capitalize expenditure that non-rate-regulated entities would recognize as expense.

It is noted that European Union has decided not to launch the endorsement of this standard and to wait for the final standard.

The above standard does not apply to the financial statements of the Company.

►**Amendment to International Financial reporting Standard 17**: "Insurance Contracts": Initial Application of IFRS 17 and IFRS 9 – Comparative information
Effective for annual periods beginning on or after 1.1.2023

On 9.12.2021 the International Accounting Standards Board issued an amendment to IFRS 17 according to which entities are permitted on initial application of IFRS 17 to classify financial assets in the comparative period in a way that aligns with how the entity would classify them on IFRS 9 transition. The amendment specifies how this option is applied depending on whether the entity applies IFRS 9 for the first time at the same time as IFRS 17 or whether it has already applied it in a previous period.

The above amendment does not apply to the financial statements of the Company.

► **Amendment to the International Accounting Standard 1** "Presentation of Financial Statements": Classification of liabilities as current or non-current
Effective for annual periods beginning on or after 1.1.2023

On 23.1.2020, the International Accounting Standards Board issued amendments to IAS 1 relating to the classification of liabilities as current or non-current. More specifically:
- The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if the liability must be classified as current or non-current.
- Management expectations about events after the balance sheet date must not be taken into account.
- The amendments clarify the situations that are considered settlement of a liability.

On 15.7.2020 the International Accounting Standards Board extended effective date by one year taking into account the impact of Covid-19.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

► **Amendment to International Accounting Standard 12** "Income Taxes": Deferred tax related to assets and liabilities arising from a single transaction
Effective for annual periods beginning on or after 1.1.2023

On 7.5.2021 the International Accounting Standards Board issued an amendment to IAS 12 with which it narrowed the scope of the recognition exception according to which, in specific circumstances, entities are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendment clarifies that the exception no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.

The Company is examining the impact from the adoption of the above amendment on its financial statements.

2. Transactions in foreign currency

Items included in the financial statements are measured and presented in Euro, which is the functional currency of the Company.

Transactions in foreign currencies are translated into Euro, at the closing exchange rate at the date of the transaction.

At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate on that date. Foreign exchange differences arising on translation are recognized as gains or losses on financial transactions.

3. Cash and cash equivalents

For purposes of preparing the Statement of Cash Flows, cash and cash equivalents consist of:

a Cash on hand and balances

b Short-term balances due from banks

Short-term balances due from banks are amounts that mature within three months of the balance sheet date.

4. Financial instruments

Initial Recognition

The Company recognizes financial assets or financial liabilities in its statement of financial position when it becomes a party to the terms of the contract.

Financial assets and financial liabilities in the balance sheet, include cash and cash equivalents, advances to customers and credit institutions, due to customers and credit institutions and debt securities in issue.

Financial instruments are recognized as assets and liabilities, based on the substance and content of the contracts from which they derive. Interest, dividends, profits and losses arising from financial instruments classified as assets or liabilities, are recognized in the income statement. Financial assets and liabilities are offset and the net amount is presented in the balance sheet, only in cases where the Company has both the legal right and the intention to settle them on a net basis, or to recover the asset and settle the liability simultaneously.

Advances to customers are initially recognized at fair value, including direct acquisition costs.

Due from and Due to credit institutions are initially recognized at fair value, including direct acquisition costs.

Debt securities in issue are initially recognized at fair value, which is determined by the funds raised, including transaction costs.

Subsequent measurement of financial assets

The Company classifies its financial assets as financial assets measured at amortized cost since:

- are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows,

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The above category is measured at amortized cost using the effective interest method and is periodically assessed for expected credit losses, as it is further described in note 7.

Business Model assessment

The business model reflects how the Company manages its financial assets in order to generate cash flows. That means the business model determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both. The Company's business model is determined at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. Accordingly, business model does not depend on management's intentions for an individual instrument but it is determined on a higher level of aggregation. In this context:

- Due from customers and

- due from banks

are included in the business model whose objective is to hold financial assets in order to collect contractual cash flows (hold to collect).

The Company, at each reporting date, reassesses its business models in order to confirm that there has been no change compared to the prior period or application of a new business model.

Solely Payments of Principal and Interest (SPPI) assessment of the contractual cash flows. For the purposes of applying the SPPI assessment:

− Principal is the fair value of the asset at initial recognition, which may change over the life of the financial asset, (for example if there are repayments of principal).

− Interest is the consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks (i.e. liquidity risk) and costs, as well as a profit margin.

Contractual terms that introduce exposure to risks and volatility in the contractual cash flows that are not related to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding.

In this context, in assessing whether contractual cash flows are SPPI, the Company assesses whether the instrument contain contractual terms that change the timing or amount of contractual cash flows.

The Company does not use derivative financial instruments either for hedging or speculative purposes.

Derecognition of financial assets

The Company derecognizes financial assets when:

- the contractual rights to the assets' cash flows expire,
- the contractual right to receive the cash flows of the financial assets are transferred and at the same time all the risks and rewards of ownership are substantially transferred,
- loans or investments in securities are no longer recoverable and consequently are written off,
- the contractual cash flows of the assets are significantly modified.

Subsequent measurement of financial liabilities

The Company measures its financial liabilities at amortized cost using the effective interest rate method. Liabilities to credit institutions and customers and debt securities in issue are classified in this category.

Derecognition of financial liabilities

The Company derecognizes a financial liability (or part thereof) when its contractual obligations are discharged or cancelled or expired.

5. Property, Plant and Equipment

Property, plant and equipment, used by the Company for its operational needs, are initially recognized at cost which includes any expenditure directly attributable to the acquisition of the assets. Subsequently, property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Subsequent expenditure is recognized on the carrying amount of the item when it increases its future economic benefits and those expenses can be measured reliably.

Expenditure on repairs and maintenance is recognized in profit or loss as an expense when incurred.

Depreciation on leasehold improvements and equipment is charged on a straight line basis over the estimated useful life of the asset and is calculated on the asset's cost minus its residual value.

The estimated useful lives are as follows:

- Additions to leased fixed assets and improvements: duration of the lease.
- Equipment and vehicles: 5 to 15 years.

The residual value of property, plant and equipment and their useful lives are periodically reviewed at each reporting date and adjusted if necessary.

The carrying amount of property, plant and equipment which has been impaired, is adjusted to its recoverable amount.

Gains and losses realized on disposals of property, plant and equipment are recognized in profit or loss. Right-of-use assets are included in the category of Property, Plant and Equipment (note 30).

6. Intangible assets

This category is comprised of software programs, which are carried at cost less accumulated amortization and accumulated impairment losses. Cost for purchased software programs include the purchase price as well as all costs necessary to bring the asset to working condition for its intended use, including personnel costs and professional fees.

Amortization is charged over the estimated useful life of the software, which the Company has estimated between 5 and 15 years. No residual value is estimated for software.

Expenditure on maintenance of software programs is recognized in the income statement as incurred.

7. Impairment allowance on amounts due from customers

The Company, at each reporting date, recognizes a loss allowance for expected credit losses on advances to customers and other financial assets.

The loss allowance for advances to customers is based on expected credit losses related to the probability of default within the next twelve months, unless there has been a significant increase in credit risk from the date of initial recognition in which case expected credit losses are recognized over the life of the instrument.

In addition, if the financial asset falls under the definition of purchased or originated credit impaired (POCI) financial assets, a loss allowance equal to the lifetime expected credit losses is recognized.

The estimation of Expected Credit Losses for other financial assets i.e. Due from banks, is performed on a lifetime basis (without the classification into stages), according to the simplified method described in IFRS 9.

a) Default definition

The Company has adopted as default definition of non-performing exposures (NPE) for financial reporting purposes the default definition prescribed by the EBA Guidelines (GL/2016/07), thus harmonizing the definition of default used for accounting purposes with the one used for regulatory purposes.

The definition of Non-performing Exposures takes into account the definition of default in accordance with Article 178 of Regulation (EU) no. 575/2013 (EBA / GL / 2016/07) and the management of non-performing exposures and regulated exposures (EBA / GL / 2018/06).

The Company, with the application of new EBA Guidelines (EBA/GL/2016/07), amended from 1.1.2021 default definition and adopted a new default definition as mentioned in note 45.1.

b) Classification of exposures into stages based on credit risk (Staging)

For the purposes of calculating expected credit losses, the exposures are classified into stages as follows:

• Stage 1: Stage 1 includes performing exposures that do not have significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has been improved and the exposure has been reclassified from stages 2 or 3. In this stage, expected credit losses are recognized based on the probability of default within the next twelve months.

• Stage 2: Stage 2 includes performing exposures for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes exposures for which credit risk has been improved and the exposure has been reclassified from stage 3. In this stage, lifetime expected credit losses are recognized.

• Stage 3: Stage 3 includes non-performing/impaired exposures. In this stage, lifetime expected credit losses are recognized.

As an exception to the above, for purchased or originated credit impaired (POCI) exposures, lifetime expected credit losses are always recognized. Purchased or originated credit impaired exposures include:

• Exposures that at the time of acquisition meet the criteria to be classified as non- performing exposures.

• Exposures for which there has been a change in repayment terms, either due to financial difficulty or not, which resulted in derecognition and recognition of a new impaired asset (POCI) expect when derecognition is due to the change of debtor of a corporate loan in which case the creditworthiness of the new debtor is reassessed.

c) Significant increase in credit risk

In determining significant increase in credit risk of an exposure since initial recognition and the recognition of lifetime expected credit losses instead of 12 months expected credit losses, the Company assesses, at each reporting date, the risk of default compared to the risk of default at initial recognition for all its performing exposures including those with no delinquencies.

The assessment of the significant increase in credit risk is based on the following:

• Qualitative Indicators: refers to the qualitative information used which is not necessarily reflected in the probability of default, such as the classification of an exposure as forborne performing (FPL, according to EBA ITS). Additional qualitative indicators, both for corporate and retail portfolios are also reflected through the Early Warning indicators where depending on the underlying assessment (soft UTP), an exposure can be considered to have a significant increase in credit risk or not.

• Backstop Indicators: in addition to the above, and in order to capture cases for which there are no triggers reflecting the increase in credit risk, based on qualitative and quantitative indicators, the 30 days past due indicator is used as a backstop.

d) Calculation of expected credit loss

The Company calculates impairment losses either on a collective (collective assessment) or on an individual basis (individual assessment).

The Company calculates expected credit losses on an individual basis for customers which have at least one Non-Performing Exposure in the Company. In order to assess the impact of the contamination effect on Alpha Bank Services and Holdings (“the Group”) level, customers who meet the criteria for individual assessment in the Bank are also examined and send to the Company in order to be individually assessed by the Company, as well.

The mechanism for calculating expected credit loss is based on the following credit risk parameters:

- Probability of Default (PD): As Probability of Default, for receivables that are assigned and discounted as part of a factoring contract, is applied the probability of default of the client, the debtor and/or the reinsurer, depending on the service provided each time.
- The assesment of Probablity of Default is performed at Group level of the parent Bank and the credit risk rating models assess a series of parameters (financial analysis, competitors' analysis, current and historical debtor's behavioral factors and quality characteristics).
- Exposure at default (EAD): Exposure at Default is an estimate of the amount of the exposure at the time of the default.
- Loss given default (LGD): Loss given default is an estimate of the loss that will occur if the default occurs at a given time. The data used are based on historically collected data and include a broad set of transactional characteristics (for example product type and type of collateral) as well as debtor's characteristics.

For the calculation of expected credit losses on receivables from customers, the amount of the exposure at the time of the default is taken into account which is equal to the balance of the customer's account, from which the recoverable amount is deducted.

For the calculation of the recoverable amount the below factors are considered: 1) The ability of the customer / supplier to fulfill his debts to the Company. 2) The trading behavior of the assigned debtors 3) The balance of the assigned receivables from which certain amounts have been deducted as there are specific reasons to not approve them for financing. 4) The amount to be received from any settlement agreement.

e) Presentation of expected credit losses in financial statements

Loss allowance for expected credit losses is presented as a deduction from the gross carrying amount of the assets.

The amount of expected credit losses for the period is presented in the caption "Credit (loss) expenses (including reversal of credit losses) on financial assets". In the same caption the following are also recognized: recoveries from written-off loans measured at amortised cost or at fair value through other comprehensive income, modification gains or losses of loans measured at amortised cost or at fair value through other comprehensive income and the favourable changes in expected credit losses of POCI assets in case expected credit losses are less than the amount of expected credit losses included in the estimated cash flows on initial recognition.

f) Write-offs

The Company proceeds with the write-off of advances to customers when it has no reasonable expectations for their recovery. In this case, the loss allowance is used against the carrying amount of the financial asset.

8. Income Tax

Income tax consists of current and deferred tax. Current tax for the period includes the expected amount of income tax payable in respect of the taxable profit for the current reporting period, based on the tax rates enacted at the balance sheet date.

Deferred tax is the tax that will be paid or for which relief will be obtained in future periods due to the different period that certain items are recognized for financial reporting and for taxation purposes. It is calculated based on the temporary differences between the tax base of assets and liabilities and their respective carrying amount.

Deferred tax assets and liabilities are measured using tax rates expected to apply in the period during which the asset or liability will be recovered or settled, based on the tax rates (and laws) enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences can be utilized.

Income tax, both current and deferred, is recognized in profit or loss unless it relates to items recognized directly in equity. In such cases, the respective income tax is also recognized in equity.

9. Employee defined benefit obligations and contributions

Defined contribution obligations

The post-employment pension benefits for staff, is covered by the Single Social Security Company (E.F.K.A.). The Company and its staff contribute to this fund on a monthly basis. The Company has no further obligation to pay further contributions if the Fund does not have sufficient assets to cover benefits relating to employee service provided in the current or past years. The contributions made by the Company are recognized as staff costs on an accrual basis.

Defined benefit obligations

Additionally, in accordance with Greek labor law, employees are entitled to benefits for termination of service, the amount of which depends on the level of remuneration, years of service and the reason for exit from service (dismissal or retirement). In case of resignation or legal dismissal, this right does not exist. The amount payable at retirement is 40% of the amount paid in the event of unjustified dismissal.

The obligation for the Company by the above defined benefit pension plan is calculated as the present value of the expected future payments required to settle the obligation resulting from employee service in the current and prior periods. The liability is determined using the actuarial Projected Unit Credit method while the discount rate used is the yield of high credit rating bonds with maturities matching the timeframe of the liability for the Company.

Interest on the defined benefit obligation is determined by multiplying the liability with the discount rate used to calculate the present value of the liability, as this rate is determined at the beginning of the period and taking into account any changes in the liability. This interest and other expenses incurred in relation to the defined benefit plan, excluding actuarial profits and losses, are recognized as staff costs.

Actuarial gains and losses, which result from increases or decreases in the present value of the defined benefit obligations due to changes in actuarial assumptions are recognized directly in equity and are not reclassified to profit or loss in a subsequent period.

10. Stock options of Alpha Services and Holding granted to employees

The granting of stock options to the employees, their exact number, the price and the exercise date are decided by the Board of Directors of Alpha Services and Holding in accordance with the Shareholders' Meeting approvals and after taking into account the current legal framework.

The fair value of the stock options, which have been calculated at grant date, is recognized during the servicing period and recorded in staff costs with an effect on retained earnings respectively, as it constitutes capital increase by the Parent, during the period that the relevant services are provided by the staff.

When there are no vesting conditions, it is considered that services have been received. On the contrary, when there are service vesting conditions the expense is recognized as the relative services are received.

11. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed. Contingent liabilities for which it is not probable that an outflow of resources will be required or the amount of liability cannot be measured reliably are disclosed unless they are not material. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

12. Interest Income – Interest Expense

Interest income and expense are recognized in the income statement for all financial instruments carried at amortized cost, on an accrual basis and its measurement is performed based on the effective interest rate method.

The effective interest rate method is a method used for the measurement of the amortized cost of a financial instrument and for allocating interest income and expense evenly and consistently over the life of the instrument.

Transaction costs for financial instruments which are measured at amortized cost, such as bond loans, are capitalized and amortized over the life of the instrument, using the effective interest rate method.

Effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortized cost of a financial liability.

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. The calculation includes all income and fees that are an integral part of the effective interest rate.

For financial assets, in particular, the following apply:

- For those financial assets classified within Stage 1 or Stage 2 for the purpose of expected credit losses measurement, interest income is calculated by applying effective interest rate to the gross carrying amount of the asset.
- For those financial assets classified within Stage 3 for the purpose of expected credit losses measurement, interest income is calculated by applying the effective interest rate to the net carrying amount of the asset (that is, net of credit allowance).
- For purchased or originated credit impaired financial assets interest income is calculated by applying the credit-adjusted effective interest rate to the net carrying amount of the asset (that is, net of credit allowance).

13. Commission Income and Expense

Commission income on factoring services and commission expenses are recognized in the income statement at the time the services are rendered.

Commission income refers to the services provided both at recording of the pledged invoices (accounting treatment/reconciliation of client receivables) and after the recording (reconciliation of debtor receivables and receipt actions).

Commission expense refers to fees of domestic factoring, fees for the deployment of Alpha Bank’s client network, fees to factors abroad and fees for the insurance on receivables.

14. Related Parties Definition

According to IAS 24, related parties to the Company are considered:

a) The parent company and entities which constitute for the Company or the parent company:

  i) a subsidiary,

  ii) a joint venture,

  iii) an associate and

b) The Hellenic Financial Stability Fund and its subsidiaries are also considered related parties to the Company because, in the context of L. 3864/2010, the Hellenic Financial Stability Fund participates in the Board of Directors and in significant committees of Alpha Bank as well as its direct parent company and as a result is considered to have a significant influence over the Bank.

c) a person and his close family members, if that person is a member of the key management personnel. The Company considers as key management personnel all the members of the Company’s Board of Directors, the members of Alpha Bank’s Board of Directors and Executive Committee, while as their close family members it considers their children and spouses or domestic partners and their dependants and the dependants of their spouses or domestic partners.

Moreover, the Company discloses all transactions and outstanding balances with entities which are controlled or jointly controlled by the above mentioned persons. This disclosure concerns participations of the above persons in entities that exceed 20%.

15. Leases

The Company enters into lease agreements as a lessee. The Company, as a lessee, for all leases recognizes a right of use asset and a lease liability at the commencement of the lease. The right of use asset is initially measured at cost, comprising the initial lease liability amount, any initial direct costs and an estimate of the obligation for costs to refurbish the asset, less any lease incentives received.

Right-of use assets are subsequently measured at cost less any accumulated depreciation, any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Depreciation is charged on a straight line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Right-of-use assets are reviewed at each reporting date to determine whether there is an indication of impairment and if they are impaired the carrying amount is adjusted to its recoverable amount with the difference recorded in profit or loss. For short-term leases (lease term of 12 months or less at the commencement date) and leases for which the underlying asset is of low value (less than Euro 5.000 when new) the Company does not recognize a right-of-use asset and a lease liability but instead recognizes the lease payments associated with those leases as an expense on a straight-line basis over the lease term.

The lease liability is initially measured at the present value of lease payments that are not paid at that date, net of cash lease incentives.

Lease payments include fixed payments and variable payments that depend on an index (such as an inflation index) or a rate and are discounted using the lessee's incremental borrowing rate. Incremental borrowing rate is determined by using as reference rate Alpha Bank's secured funding rate, as well as any given difference from Hellenic Republic government yield curves, where applicable.

After the commencement date, the Company measures the lease liability by increasing the carrying amount to reflect interest, reducing the carrying amount to reflect lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right of use assets are included within Property, plant and equipment and the lease liability is included in Other liabilities.

16. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The Company measures the fair value of assets and liabilities traded in active markets based on available quoted market prices. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. Especially, for the measurement of securities, the Company uses a specific range of prices, within the bid-ask spread, in order for those to reflect active market prices.

The fair value of financial instruments that are not traded in an active market is determined by the use of valuation techniques, appropriate in the circumstances, and for which sufficient data to measure fair value are available, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. If observable inputs are not available, other model inputs are used which are based on estimations and assumptions such as the determination of expected future cash flows, discount rates, probability of counterparty default and prepayments. In all cases, the Company uses the assumptions that 'market participants' would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

Assets and liabilities which are measured at fair value or for which fair value is disclosed are categorized according to the inputs used to measure their fair value as follows:

- Level 1 inputs: quoted market prices (unadjusted) in active markets
- Level 2 inputs: directly or indirectly observable inputs
- Level 3 inputs: unobservable inputs used by the Company, to the extent that relevant observable inputs are not available

17. Operating Segments

The Company is not listed and has not issued listed debt securities and therefore is not required to disclose financial information by line of business.

18. Significant Accounting judgements and main sources of uncertainty on estimates

Significant accounting judgements

The Company, in the context of applying accounting policies, makes judgements and assumptions that affect the amounts that are recognized as income, expenses, assets or liabilities. These estimates concern the following:

Assessment of whether contractual cash flows of a debt financial instrument represent solely payments of principal and interest on the principal amount outstanding.

The Company at initial Recognition of a financial asset assesses whether cash flows are solely payments of principal and interest on the principal amount. The assessment requires judgement mainly on:

- Whether contractual terms that affect the performance of the instrument relate solely to credit risk, other basic lending risks and profit margin.
- Whether in case of prepayment or extension the compensation received is considered fair.

Significant judgements relating to the selection of methodologies and models for expected credit losses calculation.

The Company, in the context of the application of its accounting policies for the measurement of the expected credit losses, makes judgements in order to identify:

- the criteria that indicate a significant increase in credit risk,
- the selection of appropriate methodologies for expected credit loss calculation (expected credit loss calculation on an individual or on a collective basis).
- the selection and development of appropriate models used to calculate the probability of default (PD), the estimated expected credit loss at the time of default (LGD) and the exposure at default (EAD), by financial instrument category and the selection of appropriate parameters and economic forecasts used in them.

Applying different judgements could significantly affect the number of financial instruments classified in stage 2 or significantly differentiate expected credit loss.

Income Tax

The recognition of assets and liabilities for current and deferred tax is affected by factors such as the practical implementation of the relevant legislation and the settlement of disputes that might exist with tax authorities etc. Future tax audits and changes in tax legislation may result in the adjustment of the amount of assets and liabilities for current and deferred tax and in tax payments other than those recognized in the financial statements of the Company.

Key sources of estimation uncertainty

Key sources of estimation uncertainty used by the Company in the context of applying its accounting principles and which have a significant impact on the amounts recognized in the financial statements are presented below:

Estimates included in the calculation of expected credit losses of financial instruments (note 7 and note 45.1)

The measurement of expected credit losses requires the use of complex models and significant estimates of future economic conditions and credit behavior, taking into account the events that have occurred until reporting date. The significant estimates relate to the determination of the alternative macroeconomic scenarios and the cumulative probabilities associated with these scenarios, the probability of default during a specific time period based on historical data, the assumptions and estimates for the future, the adjustments made by the Company to calculate expected credit risk losses to incorporate new information and data that are not incorporated into the models.

Employee defined benefit obligations (note 9 and note 38)

Defined benefit obligations are estimated based on actuarial valuations, which are mainly conducted on an annual basis, that incorporate assumptions regarding discount rates, future changes in salaries and pensions, as well as when employees become fully entitled to retirement. Any change in these assumptions will affect the amount of obligations recognized.

19. Comparatives

To the extent considered necessary the comparatives have been adjusted to facilitate changes in presentation of the current year amounts.

INCOME STATEMENT

20. Net interest income

	From 1 January to	
	31.12.2021	**31.12.2020**
Interest and similar income		
Due from Banks	463.48	21,975.94
Due from Customers	13,591,293.01	15,411,846.83
Total	**13,591,756.49**	**15,433,822.77**
Interest expense and similar charges		
Due to Banks	740,808.86	325,991.37
Debt securities in issue	4,072,472.81	5,408,263.57
Lease liabilities	37,884.99	21,142.97
Total	**4,851,166.66**	**5,755,397.91**
Net interest income	**8,740,589.83**	**9,678,424.86**

21. Net commission income

	From 1 January to	
	31.12.2021	**31.12.2020**
Commission income		
Commission income from Domestic Factoring services	7,265,470.85	7,596,565.94
Commission income from International Factoring services	1,062,840.72	706,284.42
Total	**8,328,311.57**	**8,302,850.36**
Commission expense		
Domestic factoring	521,192.20	589,843.32
To parent bank Alpha Bank	1,426,880.55	1,705,600.63
Other	616,101.09	353,446.82
Total	**2,564,173.84**	**2,648,890.77**
Net commission income	**5,764,137.73**	**5,653,959.59**

22. Other income

	From 1 January to	
	31.12.2021	**31.12.2020**
Income from reversal of provisions	5,000.00	-
Other	1,524.59	105.24
Total	**6,524.59**	**105.24**

23. Staff costs

	From 1 January to	
	31.12.2021	**31.12.2020** as restated
Wages and salaries	2,319,292.17	2,230,623.51
Social security contributions	507,553.75	556,902.29
Expense for pension plans (note 38)	60,998.00	26,191.00
Stock options	33,226.00	41,729.00
Other charges	178,995.65	193,754.84
Total	**3,100,065.57**	**3,049,200.64**

The total number of the Company's employed personnel as of 31.12.2021 and 31.12.20 was 78 and 80 respectively, of which 4 are working at the branch in Northern Greece.

The Company has entered into a contract with GENERALI HELLAS Insurance Company, to provide life insurance to its employees as well as hospital and outpatient care for accident / illness. The cost of the aforementioned defined contribution plan amounted to Euro 95,500.62 for the period from 01.01.2021 to 31.12.2021 and Euro 115,359.94 for the period from 1.1.2020 to 31.12.2020 and is included in line "Other Charges".

The Company operates from 1.7.2019 a pension/savings occupational group life insurance program, in cooperation with GENERALI HELLAS Insurance Company. The program aims to provide a lump sum payment of money upon debenture from the Company. The savings capital is generated by the investment of the defined monthly contributions made by the Employee and the Company. The cost for the period from 01.01.2021 to 31.12.2021 amounted to Euro 57,897.12 and for the period from 1.7.2020 to 31.12.2020 amounted to Euro 58,495.72 and is included in line "Other Charges".

"Wages and salaries" and "Social security contributions" include costs relating to staff incentive schemes as a reward on the Company's employees' performance.

The terms of the existing incentive programs are as follows:

Award in cash

According to the terms of the programs, this award is paid in a lump sum by the Company while the relevant expense is recognized at the time the employee has the right to receive this remuneration or, if the remuneration depends on performance targets, at the time of their achievement.

For a part of the staff, the benefit is paid in a lump sum of up to 60% while the payment of at least 40% is deferred for three years from the initial payment subject to the condition that the employee will remain in service. The recognition of the expense that relates to the amount the payment of which is deferred for three years, is recognized as the related services are provided.

The Company has recognized in "Wages and Salaries" for the year 2021 an amount of € 94,289,74 (31.12.2020: € 59,398.44), relating to these programs.

Awarding of stock options rights

Alpha Services and Holding's Annual General Meeting of its shareholders as of 31.07.2020 approved the establishment and implementation of a five year plan that provides the right to acquire newly – issued shares of the Bank (Stock Options Plan) by awarding stock options rights to management and employees of the Bank and its components. The plan concerns the period 2020-2024 and according to that the beneficiaries may exercise their right to acquire each new share with an exercise price equal to the nominal value of its share, i.e. 0.30 €. The General Meeting authorized the Board of Directors to determine the beneficiaries and the precise terms of the plan.

Within the first year from the date that the benefit is provided, the beneficiaries may exercise 60% of their total rights, while for each subsequent year for the next 3 years they may exercise 13,3% of their rights, subject to remaining in service. The exercise of the rights takes place during January or September. Rights which are not exercised cease to apply. Furthermore, in case that one of the beneficiaries cease to be an employee or executive of the Group (for reasons other than retirement or inability to work) ceases to have the right to purchase shares.

Following the exercise of the Options, the New Shares are subject to a twelve-month period of mandatory holding.

The Board of Directors of Alpha Services and Holdings, at its meeting of 30.12.2020: (a) approved the Plan's Regulation (b) awarded Stock Options Rights under the Performance Incentive Program for the fiscal years 2018 and 2019 to identified employees of the Bank and its components. Accordingly, the Board of Directors of Alpha Services and Holdings proceeded to grant options during its meeting on 16.12.2021, under the Performance Incentive Program for the year 2020.

On 31.12.2020 and on 31.12.2021, the beneficiaries were informed about the terms and the exact amount of their reward according to their performance for the years 2018/2019 and 2020, respectively.

The following table illustrates the change in the number of options granted:

	Stock Options granted
Balance 1.1.2021	**104.112**
Options Rights awarded during the year	35.300
Options Rights exercised during the year	(64.199)
Balance 31.12.2021	**75.213**

The share price of Alpha Services and Holdings at the time of exercising the rights in January 2021 amounted to Euro 0.88.

The Exercise Periods of the valid stock options already granted are illustrated below.

Exercised period	Total maximum number of options that can be exercised	
	31.12.2021	**31.12.2020**
January 2021	-	64.199
January 2022	35.057	13.879
January 2023	18.588	13.882
January 2024	16.858	12.152
January 2025	4.710	-
Total	**75.213**	**104.112**

The weighted average lifespan of the above rights is 0.97 years (31.12.2020: 0.88 years).

The total expense recognized in the Income Statement on 31.12.2021 from the aforementioned rights, with a credit to Retained Earnings, amounted to Euro 33,226 (31.12.2020: Euro 41,729).

For the Options rights awarded on 31.12.2021 with an exercise date of January 2022, the fair value was determined as the difference between the share price on 31.12.2021, which is the date of issue, and the exercise price. A similar methodology was applied for the rights awarded on 31.12.2020 with an exercise date of January 2021. For the rest of Options rights the fair value was determined using the Black & Scholes valuation model. The key variables that used in the model, as presented in the table below, are the share price, the exercise price, the volatility of the share price as well as the remaining duration until the expiration. Historical volatility has been used as the volatility i.e. the standard deviation of the logarithmic changes of the daily share price for a period equal to the remaining duration of each right.

	Stock Options under the Performance Incentive Program for the years 2018 and 2019	Stock Options under the Performance Incentive Program for the year 2020
Average fair value	0.70	0.79
Expected volatility	72.23%	58.20%
Expected duration (in years)	2	2
Weighted average share price	0.972	1.077
Exercise price	0.3	0.3
Expected dividends	-	-
Risk free interest rate	(0.52)%	(0.48)%

The weighted average fair value of the rights granted during the current year amounted to Euro 11,094 (31.12.2020: Euro 9,010).

24. General administrative expenses

	From 1 January to	
	31.12.2021	31.12.2020
Maintenance of EDP equipment	220,493.79	162,797.32
EDP expenses	937.09	2,161.57
Marketing and advertisement expenses	19,819.15	3,882.73
Telecommunications and postage	73,766.55	86,640.75
Third party fees	265,313.18	238,533.86
Consultants fees	25,983.84	36,099.16
Insurance	57,848.03	51,104.70
Consumables	7,056.40	11,998.48
Electricity	46,015.27	40,251.94
Donations	-	2,000.00
Building and equipment maintenance	52,808.36	82,701.03
Security services for buildings and cash in transit	28,890.04	29,013.49
Taxes	10,744.37	8,989.71
Other	50,760.63	52,181.56
Total	**860,436.70**	**808,356.30**

25. Credit (loss) expenses (including reversal of credit losses) on financial assets

	From 1 January to	
	31.12.2021	31.12.2020
Impairment losses on/(reversal of) customer receivables (note 29)	(230,805.89)	(58,411.50)
Recoveries from write-offs	(10,856.23)	(118,131.85)
Total	**(241,662.12)**	**(176,543.35)**

Most of the amount recorded under the caption "Impairment losses on/(reversal of) customer receivables " refers to collections from impaired receivables from customers.

26. Income tax

	From 1 January to	
	31.12.2021	31.12.2020
Current tax	1,791,968.93	2,177,197.02
Deferred tax	(267,414.97)	585,410.29
Total	**1,524,553.96**	**2,762,607.31**

Deferred tax recognized in the income statement is attributable to temporary differences, the effect of which is analyzed in the table below:

	From 1 January to	
	31.12.2021	31.12.2020 as restated
Employee defined benefit obligations	(5,743.01)	(6,285.84)
Amortization of intangible assets	(15,714.47)	(9,769.25)
Due from customers	(235,069.39)	608,184.22
Leases	(10,888.10)	(6,718.84)
Total	(267,414.97)	585,410.29

In accordance with article 120 of L.4799 "Incorporation of Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending Directive 2013/36/EU as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures (L 150), incorporation of Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 amending Directive 2014/59/EU as regards the loss-absorbing and recapitalization capacity of credit institutions and investment firms and Directive 98/26/EC (L 150), through the amendment of article 2 of L.4335/2015, and other urgent provisions", the income tax rate for legal entities is reduced by 2% (from 24% as in force today to 22%) for the income of tax year 2021 and afterwards. By explicit reference of the law, this decrease does not apply to the financial institutions for which the income tax rate remains at 29%.

In accordance with article 119 of the same law, the percentage of income tax prepayment for legal entities is reduced to eighty percent (80%) from one hundred per cent (100%) as in force. The above is applicable for income tax prepayment of income tax declaration for the tax year 2021 and the following tax years.

The article 20 of Law 4646 / 12.12.2019 "Tax reform with a growth dimension for tomorrow's Greece", exempts income tax on income derived from the goodwill of the transfer of equity instruments to a legal entity resident in a Member State of the European Union, which a legal entity receives which is a tax resident of Greece if the legal company whose titles are transferred fulfills the conditions prescribed by law. This income is not taxable on the distribution or capitalization of these profits. Any impairment losses recognized as at 31.12.2019 are deducted under certain conditions from gross income at the time of transfer. The provision applies to income derived from 1.7.2020 and onwards.

Furthermore, the withholding rate is reduced to 5% from 10% in dividends paid from 1.1.2020 and onwards. In accordance with article 65A of Law 4174/2013, from 2011, the statutory auditors and audit firms conducting statutory audits to a Societe Anonyme (S.A.), are obliged to issue an Annual Tax Certificate on the compliance on tax issues. This tax certificate is submitted to the Company being audited up to the date of the submission of the income tax reform and no later than first ten days of the tenth month after the end of the audited financial year, as well as, electronically to the Ministry of Finance, no later than the end of the tenth month after the end of the audited financial year. In accordance with article 56 of Law 4410/03.08.2016 for the fiscal years from 1.1.2016 and onwards, the issuance of tax certificate is optional. However, the Company intends to continue to obtain the tax certificate.

The Company has been audited by the tax authorities up to and including 2009 (note 44b).

For the fiscal years 2011 up to 2020, the tax audit based on article 65A of L. 4174/2013 has been completed and the Company has received the relevant tax certificate without any qualifications on the tax issues covered. The tax audit for the fiscal year 2021 is in progress.

The amount of deferred tax is based on the tax rate expected to be in effect at the time of recovery or settlement of the respective assets or liabilities.

In addition, an amount of Euro 11,193.71 (2020: Euro 1,777.68, as restated), has been recognized in equity and concerns deferred tax on actuarial gains/losses on defined benefit obligations (note 32).

Reconciliation between the effective and nominal tax rate

	From 1 January to			
		31.12.2021		**31.12.2020 as restated**
Profit before		**10,309,132.17**		**11,195,144.90**
Income tax	22.00%	2,268,009.08	24.00%	2,686,834.78
Increase / (decrease) due to:				
Non-deductible expenses	0.21%	21,755.06	0.24%	26,422.85
Non taxable income	(0.02%)	(1,607.17)	(0.19%)	(21,443.71)
Adjustment in tax rates	(7.57%)	(780,139.04)	-	-
Other tax differences	0.16%	16,536.03	0.63%	70,793.39
Income tax	**14.79%**	**1,524,553.96**	**24.68%**	**2,762,607.31**

27. Earnings per share

Basic earnings per share:

Basic Earnings per Share are calculated by dividing the profits after tax, by the weighted average number of outstanding ordinary shares of the Company during the reporting period.

	From 1 January to	
	31.12.2021	**31.12.2020** as restated
Profit attributable to equity owners	8,784,578.21	8,432,537.59
Weighted average number of outstanding ordinary shares	1,366,667.00	1,366,667.00
Basic earnings (Euro per share)	6.43	6.17

Diluted earnings per share:

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding for any potential dilutive ordinary shares to be issued. The Company does not have any dilutive potential ordinary shares and consequently, the diluted earnings per share do not differ from basic.

ASSETS

28. Cash and cash equivalents

28.1 Cash

	31.12.2021	31.12.2020
Cash on hand	624.27	1,364.69
Total	**624.27**	**1,364.69**

28.2 Due from banks

	31.12.2021	31.12.2020
Sight deposits	5,165,040.46	2,603,333.12
Total	**5,165,040.46**	**2,603,333.12**

	31.12.2021	31.12.2020
Total cash and cash equivalents	**5,165,664.73**	**2,604,697.81**

29. Due from customers

	31.12.2021	31.12.2020
Domestic factoring with recourse	249,012,726.09	197,475,543.59
Domestic factoring without recourse	271,975,991.93	200,013,512.67
International factoring	63,982,710.68	23,504,180.46
Total	**584,971,428.70**	**420,993,236.72**
Less: Impairment allowance on customer receivables	(5,389,454.71)	(6,200,666.75)
Total due from customers	**579,581,973.99**	**414,792,569.97**

Impairment allowance on customer receivables

Balance 1.1.2020	**6,259,078.25**
Reversal of Impairment on customer receivables	(58,411.50)
Balance 31.12.2020	**6,200,666.75**

Balance 1.1.2021	**6,200,666.75**
Write-off of customer receivables	(580,406.15)
Reversal of Impairment on customer receivables	(230,805.89)
Balance 31.12.2021	**5,389,454.71**

30. Property, plant and equipment

	Additions in Third-Party Property	Other equipment	Right-of-use on Land and Buildings	Right-of-use on Other Equipment	Right-of-use on Motor Vehicles	Total
Cost, 1.01.2020	**162,875.31**	**713,026.26**	**190,090.70**	**22,898.06**	**75,604.92**	**1,164,495.25**
Additions	6,100.00	19,439.21	2,805,678.75	-	-	2,831,217.96
Write-offs	-	(149,582.43)	-	-	-	(149,582.43)
Cost, 31.12.2020	**168,975.31**	**582,883.04**	**2,995,769.45**	**22,898.06**	**75,604.92**	**3,846,130.78**
Cost, 1.01.2021	**168,975.31**	**582,883.04**	**2,995,769.45**	**22,898.06**	**75,604.92**	**3,846,130.78**
Additions	2,226.12	42,275.48	-	-	44,525.92	89,027.52
Cost, 31.12.2021	**171,201.43**	**625,158.52**	**2,995,769.45**	**22,898.06**	**120,130.84**	**3,935,158.30**
Accumulated depreciation, 1.01.2020	**113,513.00**	**559,507.55**	**126,727.14**	**7,426.40**	**15,914.81**	**823,088.90**
Depreciation charge for the year	9,378.18	35,745.67	214,581.53	7,426.39	18,248.22	285,379.99
Reversal of depreciation upon write-off	-	(149,580.53)	-	-	-	(149,580.53)
Accumulated depreciation, 31.12.2020	**122,891.18**	**445,672.69**	**341,308.67**	**14,852.79**	**34,163.03**	**958,888.36**
Accumulated depreciation, 1.01.2021	**122,891.18**	**445,672.69**	**341,308.67**	**14,852.79**	**34,163.03**	**958,888.36**
Depreciation charge for the year	9,469.63	38,399.71	300,440.92	7,426.40	24,314.47	380,051.13
Accumulated depreciation, 31.12.2021	**132,360.81**	**484,072.40**	**641,749.59**	**22,279.19**	**58,477.50**	**1,338,939.49**
Net book value						
31.12.2020	**46,084.13**	**137,210.35**	**2,654,460.78**	**8,045.27**	**41,441.89**	**2,887,242.42**
31.12.2021	**38,840.62**	**141,086.12**	**2,354,019.86**	**618.87**	**61,653.34**	**2,596,218.81**

According to the estimates of the management, no adverse events have occurred that affect the activity of the Company and the value of its assets as of 31.12.2021.

31. Intangible assets

	Software
Cost, 1.01.2020	**1,483,167.08**
Additions	48,175.00
Write-offs	(36,373.01)
Cost, 31.12.2020	**1,494,969.07**
Cost, 1.01.2021	**1,494,969.07**
Additions	251,709.40
Cost, 31.12.2021	
Accumulated amortization, 1.01.2020	**938,513.65**
Amortization charge for the year	91,756.89
Reversal of amortization upon write-off	(36,372.82)
Accumulated amortization, 31.12.2020	**993,897.72**
Accumulated amortization, 1.01.2021	**993,897.72**
Amortization charge for the year	105,161.22
Accumulated amortization, 31.12.2021	**1,099,058.94**
Net book value	
31.12.2020	**501,071.35**
31.12.2021	**647,619.53**

According to the estimates of the management, no adverse events have occurred that affect the activity of the Company and the value of its assets as of 31.12.2021.

32. Deferred tax assets and liabilities

	1.1.2021 - 31.12.2021			
	Balance 1.1.2021	**Recognized in Income Statement**	**Recognized in Equity**	**Balance 31.12.2021**
Deferred tax assets				
Employee defined benefit obligations	35,310.48	5,743.01	(4,759.21)	**36,294.28**
Total	**35,310.48**	**5,743.01**	**(4,759.21)**	**36,294.28**
Deferred tax assets				
Amortization of intangible assets	(76,088.96)	15,714.47	-	**(60,374.49)**
Due from customers	(9,198,532.97)	235,069.39	-	**(8,963,463.58)**
Leases	6,866.09	10,888.10	**-**	**17,754.19**
Other temporary differencies	(3,217.25)	-	(6,434.50)	**(9,651.75)**
Total	**(9,270,973.09)**	**261,671.96**	**(6,434.50)**	**(9,015,735.63)**
Deferred tax liability, net	**(9,235,662.61)**	**267,414.97**	**(11,193.71)**	**(8,979,441.35)**

	1.1.2020 - 31.12.2020 (as restated)			
	Balance 1.1.2020	Recognized in Income Statement	Recognized in Equity	Balance 31.12.2020
Deferred tax assets				
Employee defined benefit obligations	27,246.96	6,285.84	1,777.68	35,310.48
Total	**27,246.96**	**6,285.84**	**1,777.68**	**35,310.48**
Deferred tax liabilities				
Amortization of intangible assets	(85,858.21)	9,769.25	-	(76,088.96)
Due from customers	(8,590,348.75)	(608,184.22)	-	(9,198,532.97)
Leases	147.25	6,718.84	-	6,866.09
Other temporary differencies	(3,217.25)	-	-	(3,217.25)
Total	**(8,679,276.96)**	**(591,696.13)**	**-**	**(9,270,973.09)**
Deferred tax liability, net	**(8,652,030.00)**	**(585,410.29)**	**1,777.68**	**(9,235,662.61)**

33. Other assets

	31.12.2021	31.12.2020
Prepaid expenses	185,223.39	103,987.76
Accrued income	88,579.26	88,096.33
Total	**273.802,65**	**192.084,09**

LIABILITIES

34. Due to banks

The caption Due to banks concerns open (overdraft) accounts bearing a floating Euribor rate, which have been initiated between the Company and its parent, Alpha Bank under a respective credit agreement.

Additionally, on November 30, 2020, the Company entered into a three-month renewable loan agreement with the European Bank for Reconstruction and Development (EBRD). The contract provides for the provision of a credit facility up to the amount of Euro 20,000,000. The interest rate is calculated based on the three (3) or six (6) months Euribor plus a margin.

These obligations are as follows:

	Due to Banks 31.12.2021	Due to Banks 31.12.2020
Alpha Bank	152,857,688.04	14,280,678.49
EBRD	20,003,889.00	20,005,556.00
Σύνολο	**172,861,577.04**	**34,286,234.49**

35. Due to customers

Due to customers consists of credit balances of open (overdraft) customers' accounts, relating to collected amounts which have not been reimbursed to the customers as of the balance sheet date.

36. Debt securities in issue

1. On July 22, 2004 the Company signed a contract with the parent bank Alpha Bank for a five year bond loan issuance, under the provisions of Law 3156/2003 and 2190/1920.

   The initial loan of a Euro 300,000,000 nominal value consisted of 60 bond notes with a face value of Euro 5,000,000 each. Upon amendment of the abovementioned contractual agreement, the remaining capital after the exercise of the right for loan repayment, at any given time point of bond's duration, through full or partial repayment of the capital and the respective accrued interest, is divided into bond notes of Euro 1,000 face value each.

   The Company, by exercising its right for an early redemption of the full amount or part of the bond loan along with the payment of the respective accrued interest at any time over the life of the bond, proceeded with the following repayments of the capital and the corresponding accrued interest:

Balance 1.1.2020	**225,000,000**
Repayment 28.02.2020	(40,000,000)
Repayment 29.06.2020	(15,000,000)
Repayment 28.08.2020	(45,000,000)
Repayment 28.09.2020	(25,000,000)
Balance 31.12.2020	**100,000,000**

Balance 1.1.2021	**100,000,000**
Repayment 28.05.2021	(25,000,000)
Balance 31.12.2021	**75,000,000**

The interest rate on the bond loan is determined as the one-month (1), three-month (3) or six-month (6) Euribor, at the issuer's option, plus a predetermined spread. The bond loan is fully payable at maturity on 30.10.2024 in accordance with the amended contractual terms of the issue (maturity of the issued bonds).

2. On April 19, 2019 the Company signed a contract with its parent bank Alpha Bank, for a bond loan issuance, under the provisions of Law 3156/2003 and 4548/2018. The loan, of Euro 100,000,000 nominal value consists of 100,000,000 bond notes with a nominal value of 1 Euro (€1) each.

   The interest rate on the bond loan is determined as the one-month (1), three-month (3) or six-month (6) Euribor, at the issuer's option, plus a predetermined spread.

   The repayment of the bonds' capital will occur at June 30, 2024 (extension of the maturity date of the issued bond securities), however the Company may, at any maturity date of the Interest Calculation Period, make a prepayment of the nominal value of Bonds after the accruals up to the date of the prepayment and within the time limit for the re-disposal of Own Issued Bonds, purchase/acquire the same Bonds for the purpose of their re-disposal, in accordance with Article 62 par. 1 of Law 4548/2018.

   The Company, by exercising its right, made the following prepayments and re-disposals of Acquired Own Bonds as follows:

Balance 1.01.2020	**100,000,000**
Prepayment 30.01.2020	(10,000,000)
Redisposal 24.03.2020	10,000,000
Prepayment 30.12.2020	(15,000,000)
Balance 31.12.2020	**85,000,000**
Balance 1.01.2021	**85,000,000**
Redisposal 26.02.2021	15,000,000
Balance 31.12.2021	**100,000,000**

3. On April 7, 2020 the Company signed a contract with its parent bank Alpha Bank, for a bond loan issuance, under the provisions of Law 3156/2003 and 4548/2018.

   The loan, of Euro 80,000,000 nominal value consists of 80,000,000 bond notes with a nominal value of 1 Euro (€1) each.

   The interest rate on the bond loan is determined as the one-month (1), three-month (3) or six-month (6) Euribor, at the issuer's option, plus a predetermined spread.

   The repayment of the bonds' capital is at April 7, 2023, however the Company may, at any maturity date of the Interest Calculation Period, make a prepayment of the nominal value of Bonds after the accruals up to the date of the prepayment and within the time limit for the re-disposal of Own Issued Bonds, to purchase/acquire the same Bonds for the purpose of their re-disposal, in accordance with Article 62 par. 1 of Law 4548/2018.

   The Company, by exercising its right, made the following prepayments and re-disposals of Acquired Own Bonds as follows:

Balance 7.04.2020	**80,000,000**
Prepayment 07.05.2020	(55,000,000)
Prepayment 09.06.2020	(20,000,000)
Redisposal 07.10.2020	20,000,000
Prepayment 18.11.2020	(25,000,000)
Redisposal 23.12.2020	50,000,000
Balance 31.12.2020	**50,000,000**

Balance 1.01.2021	**50,000,000**
Prepayment 25.01.2021	(50,000,000)
Redisposal 31.03.2021	20,000,000
Prepayment 29.04.2021	(20,000,000)
Redisposal 28.06.2021	70,000,000
Prepayment 28.07.2021	(45,000,000)
Redisposal 28.09.2021	55,000,000
Balance 31.12.2021	**80,000,000**

During the period 01.01-31.12.2021, in addition to repayments / prepayments of Euro 140 million value, interest of Euro 4,071,645.81 value was repaid (01.01.-31.12.2020: Euro 5,413,305.57)

The movement of Bond loans is presented on the following tables:

	1.1.2021 - 31.12.2021			
	Balance 01.01.2021	**Cash flows**	**Non cash flows**	**Balance 31.12.2021**
Senior debt securities	235,035,097.00	15,928,354.19	4,072,472.81	255,035,924.00
Total	**235,035,097.00**	**15,928,354.19**	**4,072,472.81**	**255,035,924.00**

	1.1.2020 - 31.12.2020			
	Balance 01.01.2020	**Cash flows**	**Non cash flows**	**Balance 31.12.2020**
Senior debt securities	325,040,139.00	(95,413,305.57)	5,408,263.57	235,035,097.00
Total	**325,040,139.00**	**(95,413,305.57)**	**5,408,263.57**	**235,035,097.00**

37. Liabilities for current income tax and other taxes

	31.12.2021	31.12.2020
Current income tax liability	308,143.15	796,051.92
Liabilities for other taxes	547,772.18	406,269.70
Total	**855,915.33**	**1,202,321.62**

38. Employee defined benefit obligations

The contracts of the regular employees of the Company are indefinite term employee contracts and when terminated, the provisions of Law 2112/1920 and Law 3198/1955 apply, as amended by Law 4093/2012, which provide a lump sum benefit payment.

During the year, the Company changed the method of calculating the defined benefit obligation taking into account a decision of the IFRS Interpretations Committee (IFRIC Committee) issued in May 2021. The decision is treated as a change in accounting policy in accordance with the provisions of IAS 8 (Note 51).

Retirement benefit obligations have been determined through an actuarial study.

The amounts recognized in the income statement are analyzed below:

	From 1 January to	
	31.12.2021	**Balance 31.12.2020** as restated
Current service cost	31,251.00	25,204.00
Interest cost	147.00	987.00
Cost of Settlements	29,600.00	-
Total expense / (income) recognized in the income statement	**60,998.00**	**26,191.00**

The movement in the present value of defined benefit obligations is presented below:

	31.12.2021	**Balance 31.12.2020** as restated
Defined benefit obligation at the beginning of the year	**147,127.00**	**113,529.00**
Current service cost	31,251.00	25,204.00
Interest cost	147.00	987.00
Cost of Settlements	(10,400.00)	-
Actuarial (gains) / losses	(3,151.00)	7,407.00
Defined benefit obligation at the end of the year	**164,974.00**	**147,127.00**

The movement of the equity reserve for actuarial gains/(losses) is presented below:

	31.12.2021	**Υπόλοιπο 31.12.2020** as restated
Actuarial gains / (losses) at the beginning of the year	**(38,643.00)**	**(31,236.00)**
Change in the period	3,151.00	(7,407.00)
Actuarial gains / (losses) at the end of the year	**(35,492.00)**	**(38,643.00)**

The changes in actuarial assumptions are presented as follows:

	31.12.2021	**Balance 31.12.2020** as restated
Adjustments to liabilities from change of legal cases (financial, demographic data)	(2,654.00)	8,467.00
Empirical adjustments	(497.00)	(1,060.00)
Total amount recognised in equity	**(3,151.00)**	**7,407.00**

The principal actuarial assumptions used are the following:

	31.12.2021	**31.12.2020**
Discount rate	0.61%	0.10%
Future salary growth	2.00%	1.70%
Inflation rate	1.80%	1.35%

	31.12.2021	**31.12.2020**
Average duration of allowance program	18.04	18.59

The discount rate was based on the iBoxx Euro Corporate AA Corporate Overall 10+ EUR indices, which was 0.98% and 0.34% on 31/12/2021 and 31/12/2020 respectively and considered consistent with the principles of IAS 19, as it is based on bonds relevant to the currency and the expected duration of the plan, in relation to the employee benefits, as well as indicative for long term forecast.

The valuation of defined benefit obligations depends on the assumptions used in the actuarial study.

As a result:

An increase of the discount rate used by 0.5% would reduce the defined benefit obligation by 4% while a counter movement, that is, a decrease in the discount rate by 0.5% would raise the defined benefit obligation by 4%.

A respective sensitivity analysis on future salary growth shows that an increase in the growth rate used by 0.5% would raise the defined benefit obligation by 3% and a decrease in the growth rate by 0.5% would reduce the defined benefit obligation by 3%.

39. Other liabilities

	31.12.2021	31.12.2020
Suppliers	870,771.62	776,076.17
Accrued expenses	194,921.11	50,097.23
Liabilities to third parties	113,355.74	126,947.47
Lease Liabilities	2,496,992.92	2,732,556.62
Other	122,270.97	32,996.80
Total	**3,798,312.36**	**3,718,674.29**

The following table presents the change of leases, by disclosing separately the cash flows, which are included in cash flows from financing activities as depicted in the cash flow statement, and non-cash flows:

Lease liabilities

Changes resulting from cash flows from financing activities

	Balance 1.1.2021	Repayment of Leases	New Leases	Interest	Balance 31.12.2021
Lease Liabilities	2,732,556.62	(317,974.61)	44,525.92	37,884.99	2,496,992.92
Total	**2,732,556.62**	**(317,974.61)**	**44,525.92**	**37,884.99**	**2,496,992.92**

	Balance 1.1.2020	Repayment of Leases	New Leases	Interest	Balance 31.12.2020
Lease liabilities	139,138.86	(233,403.96)	2,805,678.75	21,142.97	2,732,556.62
Total	**139,138.86**	**(233,403.96)**	**2,805,678.75**	**21,142.97**	**2,732,556.62**

Lease liabilities mainly relates to buildings used by the Company and by its branch in Thessaloniki, storage area for its archived files, other equipment and executives' cars.

The duration of the lease agreement in buildings is set at ten years with the possibility of unilateral extension by the Company for an additional period, taking into account current conditions at that respective period. The extensions are performed with the same terms as with the initial leases, retaining the right to terminate the contract at any time within the agreed period. The Company's policy is to renew these contracts, if needed.

The duration of the contracts for the use of other equipment is set at five years with the possibility of extension for an additional period of time that the Company might decide to exercise in the future according to the conditions prevailing at the time. The extensions are made on the same terms as provided in the initial lease, with the Company reserving the right to terminate the lease at any time during the term of the contract.

It is noted that there are no real estate leases that include a variable lease payment.

In addition, there are no lease agreements that were signed in the last days of the fiscal year 2021 and were effective as of 1.1.2022 and onwards.

EQUITY

40. Share capital

The share capital of the Company as at 31.12.2021 amounted to Euro 41,000,010.00, divided into 1,366,667 ordinary shares with voting right of a nominal value of Euro 30.00 per share and presenting no changes compared to 2020.

41. Statutory reserve

According to Greek corporate law (article 158 of Law 4548/2018), the Company is required to allocate as a minimum 5% of its annual profit after tax to the statutory reserve. This obligation ceases to be in effect when the statutory reserve equals at least one third of the share capital. This reserve, which has been taxed, cannot be distributed throughout the duration of the Company and is intended to offset potential losses recorded as a debit balance in account “Retained Earnings”.

On 31 December 2020 the statutory reserve of the Company amounted to Euro 8,780,310.68.

On July 26, 2021, the General Assembly Meeting of Shareholders, decided the appropriation of the amount of Euro 421,675.90 as a statutory reserve, arising from the profit after tax for the period 1.1-31.12.2020.

Following the aforementioned decision, the statutory reserve of the Company as at 31 December 2021 amounted to Euro 9,201,986.58.

42. Retained earnings

Retained earnings as at 31.12.2020 amounted to Euro 82,494,640.37 (prior to the restatement due to IAS 19: Euro 82,098,211.45).

The meeting of the Ordinary General Assembly on 26 July 2021, regarding the distribution of the profits for the financial year 01.01.2020 - 31.12.2020, decided to transfer the balance of the net profits for the financial year 01.01.2020 - 31.12.2020 after deducting a statutory reserve of Euro 421,675.90 to retained earnings.

Following the above, the Company’s Retained Earnings at 31.12.2021 amount to Euro 90,882,725.97.

This account includes an amount of Euro 390,270.73 which concerns tax exempt reserves.

For the year ended 31.12.2021, the Board of Directors will propose to the General Assembly of Shareholders the distribution of no dividends on profits of the period 1.1.-31.12.2021.

ADDITIONAL INFORMATION

43. Fair value of financial instruments

Management believes that the carrying value of advances to customers net of impairment as well as the carrying values for amounts due to and from banks and due to customers, as these are reported in the financial statements, do not differ materially from their fair value, as either their term is less than a year or they carry a floating interest rate.

With regards to the Company's debt securities issued on 31.12.2021, whose carrying amount is Euro 255,035,924, their fair value was estimated at Euro 255,668,500, while regarding the debt securities issued on 31.12.2020, whose carrying amount is Euro 235,035,097, their fair value was estimated at Euro 237,283,500.

The fair value of debt securities in issue was calculated based on the income approach by making use of observable market data inputs classified in Level 2 and relating to interest rates and credit spreads.

44. Contingent liabilities and commitments

a) Legal issues

According to estimates of the Company's Management and Legal Department, there are no pending legal cases, which are expected to have a material effect on the financial position of the Company.

For cases where according to their progress and the evaluation of the Legal department on December 31, 2021, a negative outcome is not probable or the potential outflow cannot be estimated reliably due to the complexity of the cases, the time period they will last and the uncertainty of their outcome, the Company has not recognized a provision. As of 31.12.2021 the legal claims against the Company related to the above described cases amount to Euro 3,858,215.22 (31.12.2020: Euro 4,142,948.45), for which it was assessed that the conditions for the recognition of a respective provision do not exist.

b) Tax issues

The Company has been audited by the tax authorities for the years up to 2009.

Years 2010 up to and including 2015 are considered as closed in accordance with the Ministerial Decision POL. 1208 / 20.12.2017 of the Independent Public Revenue Authority.

Under article 65 A of L. 4174/2013, since 2011, statutory auditors and audit firms that carry out statutory audits for public limited companies are required to issue an annual Tax Compliance Report, according to Greek tax law. This report is submitted to the company under audit upon the submission of the company's corporate income tax return and no later than the first 10 days of the 10th month from the end of the fiscal year under audit, while it is also submitted electronically to the Ministry of Finance no later than the end of the 10th month following the end of the fiscal year under audit. In accordance with Article 56 of Law 4410/3.8.2016 for the fiscal years from 1.1.2016 onwards, the issuance of the tax certificate becomes optional. However, the Company has decided continue to receive tax audit services.

For the years 2011 up to and including 2020 the tax audit has been concluded and the Company has received a Tax Compliance Report without qualifications, while for 2021 the tax audit is in progress and it is estimated that no material tax issues will arise.

Pursuant to POL.1006 / 05.1.2016 the companies for which a tax certificate is issued without qualification are not exempt from the regular tax audit by the competent tax authorities. The tax authorities may therefore carry out their own tax audit. Additional taxes, interest on late submission and penalties may be imposed by tax authorities, as a result of tax audits for unaudited tax years, the amount of which cannot be accurately determined. The Management of the Company estimates that any additional tax liabilities that might be imposed by the tax authorities in the future will not have a material effect on the financial statements of the Company.

45. Risk management

The Company has established a thorough and prudent risk management framework which is being built on best supervisory practices which, based on the common European legislation and banking system rules, principles and standards is evolved over time in order to be implemented in a coherent and effective manner on the Company's conduct of the day-to-day business to ensure the effectiveness of the corporate governance.

The Company's critical focus is to maintain high standards in corporate governance and compliance with regulatory risk rules and retain confidence in the conduct of its business activities through sound and robust provision of financial services.

The Company's Board of Directors supervises the overall operations of the Risk Management Unit. The Board of Directors has established a Risk Management Committee (RMC), which convenes on a three-month basis and reports to the BoD. The RMC recommends to the BoD the risk undertaking and capital management strategy, checks its implementation and evaluates its effectiveness.

In addition, there is a Risk Management Unit operating within the Company, which is responsible for the immediate implementation of risk management framework, according to the directions of Risk Management Committee and submits regular and extraordinary reports to the Management, the Risk Management Committee and the Company's Board of Directors. These reports present the status of the portfolio and covers management strategies for all types of risks.

The effectiveness of Risk Management System is monitored on a regular basis by three "lines of defense":

• The first "line of defense" consists of controls within the Units of the Company that participate in the process.

• The second "line of defense", i.e. the Risk Management Unit, is responsible for ensuring on an ongoing basis and at least once per year, that the controls of the "first line of defense" are applied effectively.

• The third "line of defense" is the internal audit function that carries out regular evaluations and proposes potential improvements.

45.1 Credit risk

LENDING

Credit risk is defined as the potential risk of a loss for the Company, which may arise from a potential failure, both of the client (contractor) and the debtor, to fulfil its obligations taking into account that the debtor's obligations act simultaneously as collateral for the client's obligations with the exception of forfaiting where there is no obligation of the client.

Credit risk constitutes the most significant source of risk for the Company and therefore, Management's primary objective, is to systematically monitor and manage this risk.

The separation of factoring into domestic factoring with recourse, domestic factoring without recourse, export/import factoring and forfaiting, reflects the degree of credit risk inherent for each product the Company is willing to take over for a client or a debtor. The abovementioned distinction in factoring services, results in the credit risk assessment focusing in the debtor in factoring without recourse and forfaiting. With respect to this risk, a provision is recognized for receivables, whose original value has been impaired as of the reporting date.

In addition to the above, significant changes taking place in the economy, or in a particular industry, incorporate additional risks, for which further provisions may be recognized if deemed appropriate.

Mitigation of credit risk is achieved by establishing appropriate credit limits, after carrying out a comprehensive assessment of creditworthiness and a risk analysis/assessment for borrowers and debtors, in order to more accurately identify business risks through a combined analysis of parameters such as relationships of borrowers and debtors, factoring product diversity, reinsurance against risk, market segment risk etc. and therefore determine whether the Company will proceed with financing the client through an advance payment on the value of factored receivables before they become due.

During the credit approval process, in addition to the assessment of credit risk, the risk of environmental and social responsibility is additionally examined.

1. Credit Risk Approval Process

The limits of the responsible Credit-Operations Committees are determined according to the product type and the maximum limit of discounting or / and pledging,

The duration of the limits is determined by the responsible Credit-Operations Committees. Relationships with the clients are subject to regular review so that there is more efficient management of credit risk.

2. Credit Risk Measurement and Internal Ratings

The assessment of the creditworthiness both of client and the debtor, the assessment of the probability of non-fulfilment of their obligations and their classification into credit risk categories shall be carried out using credit risk rating systems of the indirect parent bank Alpha Bank Rating System (ABRS) and Risk Analyst (RA) incorporating different models (models) of credit risk rating.

The aim of the credit risk rating systems is the estimation of the probability that both clients and debtors will not meet their contractual obligations to the Company as well as Expected Credit loss estimation.

Credit risk rating models evaluate a series of parameters, such as the obligor's Financial ability, the obligor's comparative position in the market in which it operates mostly compared to its peers, the behavioral status and history of the obligor with the Group Alpha Services and Holdings, to which the Company belongs, and with third parties as well as qualitative characteristics.

The following rating scales are used:

AA, A+, A, A-, BB+, BB, BB-,B+, B, B-, CC+, CC, CC-, C, D, D0, D1, D2

For the purposes of table "**Advances to customers by credit quality and IFRS 9 Stage** ", credit ratings AA, A+, A,A,A,A-, and BB+ fall under the category 'Normal risk', credit ratings BB, BB-, B+, B,B-, CC+, CC under the category 'Medium risk', CC-, C under 'High Risk' category and finally D, D0. D1, D2 fall under "Default" category.

In addition to the above rating grades, the Company also uses ratings from foreign rating agencies such as Moody's, Fitch, Standard & Poor's.

CREDIT CONTROL

According to the risk management and control framework, there are three "lines of defense" with distinctly allocated roles and responsibilities, with first "Line of Defense" the Business Units and Supporting Operations Units, second "Line of Defense" the Risk Management Unit and third "Line of Defense" the Internal Audit Unit.

In the context of the second line of defense operation, credit controls are carried out in order to optimize Credit Risk management, to assess the quality of the loan portfolio and to ensure that the first "line of defense" operates within the framework set out for effective Credit Risk management.

COLLATERALS

Collaterals are received in order to mitigate credit risk that may arise from the client's or debtor's inability to fulfill his contractual obligations, taking into consideration that debtor's liabilities constitute collateral over the liabilities of the client with the exception of forfaiting where there is no liability of the client.

Collaterals include all kind of assets and rights which are made available to the Company in the context of the contractual agreement for a factoring lending.

As a compensation for credit risk, the Company uses credit insurance contractual agreements. Credit insurance covers the Company for insured claims in cases of late payment and/or insolvency of the debtor. Credit insurance can be carried out either directly by the Company or through the assignment of insurance contracts by the clients.

The Company evaluates the credit insurance companies with which it cooperates and sets acceptance limits for each of them.

The percentage of insured receivables as of 31.12.2021 was 41% over the total receivables from customers.

CREDIT RISK EARLY WARNING SYSTEM

In order to optimize the management of Lending and, in particular, limit the exposures whose status changes from Performing Loans (PLs) to Non-Performing Loans (NPLs), the Company has developed the Credit Risk Early Warning System.

This is defined as the aggregation of actions, processes and reports required to ensure the early identification of events (Early Warning Alerts), at customer and portfolio level, which may possibly lead to either an increase in NPLs due to the customer's negligence or financial difficulty of a temporary or permanent nature, or an increase in exposures with significant increase in credit risk, as well as the relevant actions that must be taken in order to manage the customers concerned.

The perimeter to which the Credit Risk Early Warning System is implemented encompasses all performing exposures, as well as exposures past due for up to 60 days which have not undertook any forbearance measure.

A comprehensive and effective Credit Risk Early Warning System is composed of the following stages:

• Identification of early warning triggers and generation of the Report

• Assessment of the Results of the Report and Actions Required

• Monitoring the effectiveness of the procedure

• Quality control of the procedure's implementation

CREDIT RISK CONCENTRATION MANAGEMENT

Concentration Risk is a specific form of credit risk and arises due to the low degree of diversification between counterparties, products or group of counterparties, sectors, geographic regions, or collaterals.

The Company monitors on a regular basis concentration risk at borrower/group of borrowers level and at sector level of both the client and the debtor, through detail reporting which informs Management and Committees of the Board of Directors.

DEFINITIONS

The following definitions are provided as guidance to tables /paragraphs that follow:

Past Due Exposures

An Exposure is past due if the counterparty's exposure is, materially, more than one day past due (sum of the principal, interests and charges/commissions due more than one day at an account level).

Non-Performing Exposures

An exposure is considered as Non-Performing if at least one or more events have occurred at the time of classification:

- The exposure is more than 90 days past due (NPL), which constitutes a stage of substantial delay, and the following two conditions are both applicable:
  A. The sum of the negative balance of all client's accounts is greater than 500 Euros, as well as,
  B. The sum of the negative balance of all client's accounts is greater than 1% of total amount of the client's current account (i.e. the sum of the credit balances of all the client's current accounts)
- The case has been submitted to the Court of Justice (Legal Case).
- The account has closed permanently.

- The contractual agreement has been denounced.
- It is a forborne non-performing exposure.
- There is an unlikeness to pay indicator (Hard UTP).

Unlikeliness to Pay

An exposure is flagged as "Unlikely To Pay" (UTP) when it is less than 90 days past due and the Company assesses that the client is unlikely to fully meet his credit obligations in the event of the exercise of his right for recourse or through the recovery of the assigned receivables.

The process of determining the clients with an unlikeness to pay (UTP) indicator is as follows:

(a) Events are predetermined which if occur, the clients are characterized as unlikely to pay and the exposure is classified as non-performing (Hard UTP Triggers)- without the need for an evaluation by a Council.

The following Hard UTP Triggers exist:

- Closure of the current Account
- Denouncement of contractual agreement
- Submission to the Court of Justice (Legal Cases)
- Fraud cases

(b) There are specific unlikeness to pay indicators on the basis of which the client's assessment must be carried out by the competent Committee of the Company, whether clients will be classified as UTP or not (Soft UTP Triggers) and whether their credit exposures will be considered as non-performing (Hard UTP Triggers). This assessment shall take place on the date of renewal of the client's credit limits unless there are grounds for immediate evaluation.

It should be noted that when a client belongs to a group of companies and is classified as UTP, then the group should be assessed as a whole regarding the existence or not of unlikeness to pay indicators.

The following Soft UTP Triggers exist:

- Clients who are examined by the parent bank on an individual basis and are sent to the Company for review as part of the assessment of the contamination effect at Group level.
- Clients who have been announced to the Arrears Units of the parent Bank.
- Clients with exposures with a temporary delay of up to 90 days, which have been assessed by the parent Bank with the indication of 'financial difficulty'.
- Clients with exposures with a temporary delay from 60 to 90 days.
- Clients who have been assigned a D credit rating in the parent Bank's credit rating systems (Hard UTP).
- Extrajudicial settlement/negotiation, between Banks and Client, for settlement or repayment of debts of creditors who are in bankruptcy proceedings (application for inclusion in the Bankruptcy Code).
- The client has applied for bankruptcy or insolvency (application for inclusion in the Bankruptcy Code).
- Strong indications that the client cannot meet his obligations (e.g. suspension of business activities).
- Clients who present early warning triggers in accordance with the Company's Early Warning Policy.

Credit impaired exposures

An exposure is considered as Credit Impaired when the criteria specified by the definition of Non-Performing Exposures are met.

Default exposures

An exposure is considered as Default when the criteria specified by the definition of Non-Performing Exposures are met.

Collateral Value

The collaterals presented in the following tables concern receivables assigned to the Company and all collateral values are capped at 100% of the outstanding amount of the exposure.

EXPECTED CREDIT LOSS ESTIMATION METHODOLOGY

The Company, at each reporting date, recognizes a provision for expected credit losses on advances to customers not measured at fair value through profit or loss.

Default definition

An exposure is considered as Default when the criteria specified by the definition of Non-Performing Exposures are met.

The definition of Non-Performing Exposures takes into account the definition of Default in accordance with Article 178 of the European Union Regulation 575/2013 as well as the EBA guidelines for Non-Performing Exposures (GL/2016/07).

The definition of Non-Performing Exposures is used to develop models for estimating credit risk parameters of Probability of Default, Loss Given Default and Exposure At Default and the definition is consistent with the one used for internal reasons at management of credit risk.

It is noted that the Company has decided since 2018 to harmonise the perimeter of the exposures that are recognized as '"Exposures at Default", as "Non-Performing Exposures" and as "IFRS9 Impaired Exposures".

Portfolio Classification in Stages based on the Credit Risk (Staging)

Following an exposure's initial recognition, exposure is classified into stages based on its credit risk characteristics. The classification of exposures in stages is based on the changes of the credit quality compared to its initial recognition. The adoption of this model aims at: (a) the timely identification and measurement of credit losses prior to their occurrence, (b) the separation of exposures according to whether there is a deterioration in credit risk, (c) the more accurate calculation of expected credit losses.

Upon initial recognition of an exposure, the Company must determine whether this exposure is considered as credit impaired (Credit Impaired at Initial Recognition).

The POCI category (Purchased or Originated Credit Impaired, POCI) includes the following:

• Exposures that at the time of purchase (Purchased) meet the criteria of non-performing exposures.

• Exposures for which the repayment terms have been amended, whether due to financial distress or not, which simultaneously lead to a derecognition and recognition of a new impaired asset (POCI). Since the exposure before the derecognition was marked as impaired, it will maintain this definition as a new credit exposure, which will be classified as POCI. However, in the event that the new recognized receivable is the result of a change of client whose general creditworthiness is better than the previous one, on the basis of an assessment by the competent Committee, it does not reflect financial difficulty and at the same time has presented a viable business plan and no debt settlement has been made, the exposure will not be classified as POCI.

It is noted that an exposure classified as POCI, remains POCI throughout its life.

For exposures not classified as POCI, the classification in stages is performed as follows:

Stage 1 includes performing credit exposures that have no significant increase in credit risk since the initial recognition date. The expected credit losses calculated are based on the probability of default within the next 12 months, and the assessment is carried out on a collective basis with the exception of clients assessed on an individual basis.

Stage 2 includes credit exposures with significant increase in credit risk since the initial recognition date but which are not non-performing. The expected credit losses calculated are lifetime credit losses and the assessment is carried out on a collective basis with the exception of clients assessed on an individual basis.

Stage 3 includes the non-performing / default exposures. The expected credit losses calculated are the lifetime losses and the assessment is performed on a collective or individual basis, if the abovementioned limit criteria are met.

All possible movements between Stages of credit risk are presented below:

• An exposure which has been classified in Stage 1 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the credit risk has not deteriorated and the exposure is still performing, or in Stage 2, if the exposure is still performing but the credit risk has deteriorated, or in Stage 3 if the exposure is non-performing/default.

• An exposure which has been classified in Stage 2 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk" and in particular, for the case of Forborne Performing exposure, if the exit criteria from the 2-years' probation period are met. It could also remain in Stage 2, if the credit risk has not substantially changed, or be transferred to Stage 3, if the exposure is non-performing/default.

• An exposure which has been classified in Stage 3 in previous quarter of reference could be classified either in Stage 1 in the next reporting quarter, if the exposure is performing and does not meet any of the criteria of "Significant increase in credit risk", or transferred in Stage 2, if it is no longer considered as non-performing , or remain in Stage 3, if it is still non-performing/default.

Significant Increase in Credit Risk

The occurrence of a significant increase in credit risk of an Exposure after its initial recognition (SICR) results in the measurement of the expected credit loss over its lifetime instead of the measurement of a 12-month loss.

For the identification of significant increase in credit risk for an exposure after the initial recognition leading to the calculation of lifetime credit losses of the exposure instead of twelve months credit losses, the risk of default at the reference date is compared with the risk of default at the initial recognition for all performing exposures, including those with no days past due.

The assessment to determine whether an exposure shows significant increase in credit risk or not is based on the following:

• Qualitative Indicators: They refer to use of qualitative information which is not necessarily depicted in the probability of default, such as the assessment of an exposure as performing forborne ("FPL", according to EBA ITS). Additional qualitative indicators are included in the Early Warning Policy, according to which and as per the assessment performed (Soft UTP), an exposure may be considered to show significant increase in credit risk or not.

• Backstop Indicators: In addition to the above, and with a view to addressing cases where there is no evidence of significant credit risk deterioration based on the qualitative indicators, exposures over 30 days past due are considered by definition to show a significant increase in credit risk.

Expected credit losses estimation

The Company carries out the process of recognizing and calculating impairment every calendar quarter. The Expected Credit Losses calculation is carried out either on an individual basis, taking into account the significance of the exposure or in cases of exposures that do not share common risk characteristics or in cases of exposures that do not have sufficient historical data, or on a collective basis for the remaining exposures.

For companies where the corporate guarantee from the parent company represents 100% of the exposure of the companies or other significant interdependencies, the assessment may be performed at a Group level.

Clients with at least one non-performing exposure in the Company are individually assessed. In the context of the assessment of the contamination effect at Group level, clients who meet the individual assessment criteria in the parent Bank are also individually assessed by the Company.

The remaining exposures are assessed collectively.

Integration of future information

For the purpose of determining the allowance for expected credit loss, the expected cash flows of the Company are calculated based on the probability of the baseline scenario, as defined at Group level.

The macroeconomic variables that affect the level of allowance for expected credit loss are the Gross Domestic Product (GDP), as well as the unemployment rate, as well as the future values of residential and commercial properties.

The baseline scenario predicts a strong recovery in comparison to the initial shock. This positive impact on domestic economic activity is estimated to come from:

• first, the better than expected performance of exports of services, due to the remarkable recovery of tourism in the summer of 2021,

• secondly, the strong increase in private consumption, which was supported by the rapid growth of savings and the

improvement of employment; and

• third, to increase investment.

Fiscal support remained in place in 2021, weakening the negative impact on economic activity and confidence, as the government adopted additional fiscal measures of Euro 17 billion, while the Budget for 2022 provides for additional budgetary interventions for of the consequences of the pandemic, amounting to Euro 3.3 billion.

The dynamics of the baseline scenario in 2022 is based on the formation of conditions for a change in the composition of economic growth, which is expected to come to a greater extent from investment expenditure. The conditions for the increase of investments, in the next period, will be determined:

1. from the course of the debt of the Greek economy to the investment grade, and

2. the inflow of funds from the Recovery and Resilience Fund (RRF) - which is the central element of the European Union (Next Generation EU) recovery plan to address the negative effects of the pandemic, as well as the implementation of structural reforms that create an entrepreneurial environment.

Regarding real estate prices, their growth rate was revised to improve over the forecasts of December 2020 for both 2021 and cumulatively for the period 2021-23, due to the strong recovery of economic activity. The above revision on the improvement of the Group's estimates for real estate prices for 2021 and beyond (eg from 3.2% to 6.3% on an annual basis for the current year) is significantly linked to enrichment of the analysis with the historical data of the second quarter (+ 6.1% on an annual basis) and the third quarter (+ 7.9% on an annual basis) of the BoG index, a development that shows a strong dynamics of housing prices real estate.

The production of baseline scenario, supported by a consistent economic description, constitutes the most likely scenario according to the current economic conditions and the Group's basic assessment of the course of the economy. To that end, the allowance for the expected credit loss is calculated on the basis of this scenario.

Credit risk parameters

The calculation of Expected Credit Loss is based on the following credit risk parameters:

• Probability of Default (PD): For receivables which have been assigned and discounted under a factoring agreement, as probability of default is defined the probability of default of the client, the debtor or/or the reinsurer, depending on the product type provided each time.

• Probability of default is assessed at Group level of the parent Bank and the credit rating /rating grade models evaluate a number of parameters (financial analysis, analysis of competitors, current and historical behavioral data and the quality characteristics of the debtor).

• Exposure at default (EAD): Exposure at Default is an estimate of the amount of the exposure at the time of the default and reflects the degree to which the Company is exposed to the counterparty at the time of default and is equal to the current balance of the clients current account.

• Loss given default (LGD): Loss given default is an estimate of the loss that will occur if the default occurs at a given time. Its determination is based on historical data and is updated at least once a year. For the calculation, write-offs or 100% impaired exposures as well as any recoveries of amounts are taken into account.

Governance

The NPE Evaluation Committee is responsible for approving the Expected Credit Losses and submitting them to the Board of Directors.

The Board of Directors approves the Company's Impairment Policy of Receivables through the Risk Management Committee.

EFFECT FROM THE COVID-19 PANDEMIC

Regarding the impact of Covid-19, it is noted that the Company has no exposures that were affected by this crisis.

Following the relevant measures taken by the Central Banks and the countries and after taking into consideration the consequent normalization of the financial and capital markets, the Company did not consider it appropriate on 31.12.2021 to proceed to any adjustment on the impairment policy due to the Covid-19 pandemic, since the PDs used by the Company for the collective provision apply to corporate loans in the indirect parent bank, in which the effect for Covid -19 has been incorporated.

NEW DEFINITION OF DEFAULT

In the context of alignment with the regulatory guidelines, the Company adopted the new Definition of Default that applies from 01.01.2021.

The main changes introduced by the new Definition of Default are presented as follows:

- Additional "Unlikeliness To Pay" trigger events (UTP triggers)
- Debt settlements with NPV loss > 1%,
- An additional three-month probation period from the moment the obligor is no longer materially past due and no indication of Unlikeliness To Pay occurs.

The adoption of the new definition of default at the day of first application, i.e. 01.01.2021 did not have any impact on the company's financial statements.

FORBEARANCE

The Executive Committee Act 175/2/29.7.2020 has determined the supervisory framework for the management of exposures in arrears and non-performing exposures, over and above the already applicable requirements of Law 4261/2014, the CRR 575/2013, and delegated the decision authority to the Bank of Greece.

In the context of the Commission Implementing Regulation (EU) 2015/227 of the European Commission dated January 9, 2015 and the executive technical standards of the European Banking Authority, the Company assumes the resulting regulatory obligations for forborne exposures.

Furthermore, the Company applies the Policy of Dispute Settlement in accordance with the Code of Conduct for Banks set by Bank of Greece (Law 4224/2013), as currently is in force.

MONITORING OF FORBORNE EXPOSURES

The Company has undertaken a series of actions to ensure adherence to the supervisory obligations and requirements arising from the above Acts. These changes cover the following distinct sections:

• Adaptation of Information Systems of the Company.

• Development of databases aiming at:

- the automation of the processes related to the production of both internal (Risk Management) and external (Supervisory) reports;
- the performance of analyses on the Company's portfolio and
- the production of Management Information Reporting (MIS)

WRITE-OFFS

Bad Debt Write-off is defined as the reduction of the gross carrying amount of a financial asset, when there is no reasonable expectation of recovery. The write-off refers to the accounting write-off of a debt or a portion of it, i.e. the removal of the financial asset or part of it from the balance sheet, which does not necessarily entail the waiver of the legal right to recover the debt.

In order to perform a write-off, there should be a respective equivalent provision for impairment loss, at least a quarter prior to the proposal.

DUE FROM BANKS

In addition to credit risk from customer receivables, the Company manages the credit risk from receivables due from banks (note 28.2). The rating of the respective receivables due from banks is as follows:

	Due from Banks 31.12.2021	**Fitch**	**Standard & poor's**	**Moody's**	Due from Banks 31.12.2020	**Fitch**	**Standard & poor's**	**Moody's**
Alpha Bank	992,168.52	CCC+	B+	Caa1	920,227.17	CCC+	B	Caa1
Alpha Bank Cyprus	883,679.75	CCC+	B+	Caa1	325,895.64	CCC+	B	Caa1
Eurobank	370,710.51	B-	B+	Caa1	1,006,517.75	B-	B	Caa1
Piraeus Bank	1,759,231.92	WD	B-	Caa2	284,623.02	CCC	B-	Caa2
National Bank of Greece	1,159,249.76	CCC+	B+	Caa1	66,069.54	CCC+	B	Caa1
Total	**5,165,040.46**				**2,603,333.12**			

All receivables from credit institutions are classified in Stage 1. Due to the short term nature of the deposits, the Company did not perform an expected credit loss (ECL) calculation, as the impact of the calculation was assessed insignificant in relation to the account balance.

FINANCIAL INSTRUMENTS CREDIT RISK

Amounts in thousands of Euros	31.12.2021		
	Exposure before impairment	Provision for impairment losses	Net exposure to credit risk
Due from banks	5,165.04	-	5,165.04
Due from customers	584,971.42	(5,389.45)	579,581.97
Total amount of balance sheet items exposed to credit risk	**590,136.46**	**(5,389.45)**	**584,747.01**
Other balance sheet items not exposed to credit risk	3,518.26	-	3,518.26
Total assets	**593,654.72**	**(5,389.45)**	**588,265.27**

Amounts in thousands of Euros	31.12.2020		
	Exposure before impairment	Provision for impairment losses	Net exposure to credit risk
Due from banks	2,603.33	-	2,603.33
Due from customers	420,993.24	(6,200.67)	414,792.57
Total amount of balance sheet items exposed to credit risk	**423,596.57**	**(6,200.67)**	**417,395.90**
Other balance sheet items not exposed to credit risk	3,581.76	-	3,581.76
Total assets	**427,178.33**	**(6,200.67)**	**420,977.66**

FINANCIAL INSTRUMENTS CREDIT RISK, ANALYSIS PER INDUSTRY

Amounts in thousands of Euro	31.12.2021						
	Financial institutions	Industry and manufacturing	Services	Wholesale and retail trade	Transport ation	Other sectors	Total
Due from banks	5,165.04	-	-	-	-	-	**5,165.04**
Due from customers	56.03	406,014.24	19,727.58	138,896.33	3,924.41	16,352.83	**584,971.42**
Total amount of balance sheet items exposed to credit risk	**5,221.07**	**406,014.24**	**19,727.58**	**138,896.33**	**3,924.41**	**16,352.83**	**590,136.46**

Amounts in thousands of Euro	31.12.2020						
	Financial institutions	Industry and manufacturing	Services	Wholesale and retail trade	Transport ation	Other sectors	Total
Due from banks	2,603.33	-	-	-	-	-	**2,603.33**
Due from customers	74.98	274,966.47	15,801.13	111,119.50	3,006.99	16,024.17	**420,993.24**
Total amount of balance sheet items exposed to credit risk	**2,678.31**	**274,966.47**	**15,801.13**	**111,119.50**	**3,006.99**	**16,024.17**	**423,596.57**

A. Advances to customers

A.1 Advances to customers by IFRS 9 Stage (past due and not past due)

The following tables present past due and not past due advances to customers, measured at amortized cost, as at 31.12.2021 and 31.12.2020 per IFRS 9 Stage.

31.12.2021											
	Stage 1			Stage 2			Stage 3				
Amounts in thousands of Euro	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	**Total Net carrying amount**	**Value of collaterals**
Not Past Due											
SME's	154,933.13	(0.71)	154,932.42	1,353.07	(0.01)	1,353.06	9.52	(4.25)	5.27	156,290.75	154,932.70
Large corporate	422,613.16	(11.03)	422,602.13	-	-	-	-	-	-	422,602.13	422,575.98
Total	**577,546.29**	**(11.74)**	**577,534.55**	**1,353.07**	**(0.01)**	**1,353.06**	**9.52**	**(4.25)**	**5.27**	**578,892.88**	**577,508.68**
Past due											
SME's	633.96	-	633.96	-	-	-	3,364.94	(3,324.07)	40.87	674.83	630.15
Large corporate	11.59	-	11.59	2.67	-	2.67	2,049.38	(2,049.38)	-	14.26	-
Total	**645.55**	**-**	**645.55**	2.67	-	**2.67**	**5,414.32**	**(5,373.45)**	**40.87**	**689.09**	**630.15**
Total											
SME's	155,567.09	(0.71)	155,566.38	1,353.07	(0.01)	1,353.06	3,374.46	(3,328.32)	46.14	156,965.58	155,562.85
Large corporate	422,624.75	(11.03)	422,613.72	2.67	-	2.67	2,049.38	(2,049.38)	-	422,616.39	422,575.98
Total	**578,191.84**	**(11.74)**	**578,180.10**	**1,355.74**	**(0.01)**	**1,355.73**	**5,423.84**	**(5,377.70)**	**46.14**	**579,581.97**	**578,138.83**

	31.12.2020										
	Stage 1			Stage 2			Stage 3				
Amounts in thousands of Euro	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	Carrying amount (before provision for impairment losses)	Provision for impairment losses	Net carrying amount	**Total Net carrying amount**	**Value of collaterals**
	Not Past Due										
SME's	143,658.19	(6.62)	143,651.57	1,613.54	(0.34)	1,613.20	12.49	(4.67)	7.82	145,272.59	143,653.13
Large corporate	259,988.32	(71.78)	259,916.54	-	-	-	-	-	-	259,916.54	259,855.75
Total	**403,646.51**	**(78.40)**	**403,568.11**	**1,613.54**	**(0.34)**	**1,613.20**	**12.49**	**(4.67)**	**7.82**	**405,189.13**	**403,508.88**
	Past due										
SME's	2,124.85	(0.01)	2,124.84	413.54	-	413.54	4,110.44	(4,069.61)	40.83	2,579.21	2,537.03
Large corporate	7,025.34	(1.11)	7,024.23	-	-	-	2,046.53	(2,046.53)	-	7,024.23	5,854.05
Total	**9,150.19**	**(1.12)**	**9,149.07**	413.54	-	**413.54**	**6,156.97**	**(6,116.14)**	**40.83**	**9,603.44**	**8,391.08**
	Total										
SME's	145,783.04	(6.63)	145,776.41	2,027.08	(0.34)	2,026.74	4,122.93	(4,074.28)	48.65	147,851.80	146,190.16
Large corporate	267,013.66	(72.89)	266,940.77	-	-	-	2,046.53	(2,046.53)	-	266,940.77	265,709.80
Total	**412,796.70**	**(79.52)**	**412,717.18**	**2,027.08**	**(0.34)**	**2,026.74**	**6,169.46**	**(6,120.81)**	**48.65**	**414,792.57**	**411,899.96**

A.2 Advances to customers by credit quality and IFRS 9 Stage

The following tables present advances to customers, measured at amortized cost, by IFRS 9 Stage and credit quality as at 31.12.2021 and 31.12.2020.

31.12.2021							
Amounts in thousands of Euro	**SME's**			**Large Corporate**			
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	**Total**
Normal Risk	34,374.86	-	-	337,713.48	2.67	-	**372,091.01**
Medium Risk	108,062.65	1,353.07	-	61,898.74	-	-	**171,314.46**
High Risk	13,129.58	-	-	23,012.53	-	-	**36,142.11**
Default	-	-	3,374.46	-	-	2,049.38	**5,423.84**
Total	**155,567.09**	**1,353.07**	**3,374.46**	**422,624.75**	**2.67**	**2,049.38**	**584,971.42**
Provision for impairment losses	(0.71)	(0.01)	(3,328.32)	(11.03)	-	(2,049.38)	**(5,389.45)**
Net carrying amount	**155,566.38**	**1,353.06**	**46.14**	**422,613.72**	**2.67**	**-**	**579,581.97**
Value of collaterals	**155,549.27**	**-**	**13.58**	**422,575.98**	**-**	**-**	**578,138.83**

31.12.2020							
Amounts in thousands of Euro	**SME's**			**Large Corporate**			
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	**Total**
Normal Risk	26,297.86	369.82	-	200,074.76	-	-	**226,742.44**
Medium Risk	109,333.00	1,657.26	-	42,702.13	-	-	**153,692.39**
High Risk	10,152.18	-	-	24,236.77	-	-	**34,388.95**
Default	-	-	4,122.93	-	-	2,046.53	**6,169.46**
Total	**145,783.04**	**2,027.08**	**4,122.93**	**267,013.66**	**-**	**2,046.53**	**420,993.24**
Provision for impairment losses	(6.63)	(0.34)	(4,074.28)	(72.89)	-	(2,046.53)	**(6,200.67)**
Net carrying amount	**145,776.41**	**2,026.74**	**48.65**	**266,940.77**	**-**	**-**	**414,792.57**
Value of collaterals	**145,761.07**	**412.69**	**16.41**	**265,709.80**	**-**	**-**	**411,899.97**

A.3 Ageing analysis by IFRS 9 Stage

	31.12.2021								
	SME's				Large corporate				
Amounts in thousands of Euro	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	**Grand Total**
	Exposure before impairment								
Current	154,933.13	1,353.07	9.52	**156,295.72**	422,613.16	-	**-**	**422,613.16**	**578,908.88**
1-30 days	633.96	-	-	**633.96**	11.59	-	**-**	**11.59**	**645.55**
31-60 days	-	-	-	**-**	-	2.67	**-**	**2.67**	**2.67**
61-90 days	-	-	-	**-**	-	-	**-**	**-**	**-**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	0.33	**0.33**	-	-	**-**	**-**	**0.33**
>360 days	-	-	3,364.61	**3,364.61**	-	-	2,049.38	**2,049.38**	**5,413.99**
Total	**155,567.09**	**1,353.07**	**3,374.46**	**160,294.62**	**422,624.75**	2.67	**2,049.38**	**424,676.80**	**584,971.42**
	Accumulated provision for impairment losses								
Current	(0.71)	(0.01)	(4.25)	**(4.97)**	(11.03)	-	-	**(11.03)**	**(16.00)**
1-30 days	-	-	-	**-**	-	-	-	**-**	**-**
31-60 days	-	-	-	**-**	-	-	-	**-**	**-**
61-90 days	-	-	-	**-**	-	-	-	**-**	**-**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	-	**-**	-	-	-	**-**	**-**
>360 days	-	-	(3,324.07)	**(3,324.07)**	-	-	(2,049.38)	**(2,049.38)**	**(5,373.45)**
Total	**(0.71)**	**(0.01)**	**(3,328.32)**	**(3,329.04)**	**(11.03)**	-	**(2,049.38)**	**(2,060.41)**	**(5,389.45)**
	Total net carrying Amount								
Current	154,932.42	1,353.06	5.27	**156,290.75**	422,602.13	-	**-**	**422,602.13**	**578,892.88**
1-30 days	633.96	-	-	**633.96**	11.59	-	**-**	**11.59**	**645.55**
31-60 days	-	-	-	**-**	-	2.67	**-**	**2.67**	**2.67**
61-90 days	-	-	-	**-**	-	-	**-**	**-**	**-**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	0.33	**0.33**	-	-	-	**-**	**0.33**
>360 days	-	-	40.54	**40.54**	-	-	-	**-**	**40.54**
Total	**155,566.38**	**1,353.06**	**46.14**	**156,965.58**	**422,613.72**	2.67	**-**	**422,616.39**	**579,581.97**
Value of collaterals	**155,549.27**	**-**	**13.58**	**155,562.85**	**422,575.98**	-	**-**	**422,575.98**	**578,138.83**

31.12.2020									
	SME's				Large corporate				
Amounts in thousands of Euro	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	**Grand Total**
Exposure before impairment									
Current	143,658.19	1,613.54	12.49	**145,284.22**	259,988.32	-	**-**	**259,988.32**	**405,272.54**
1-30 days	2,124.85	-	-	**2,124.85**	7,025.34	-	**-**	**7,025.34**	**9,150.19**
31-60 days	-	43.71	-	**43.71**	-	-	**-**	**-**	**43.71**
61-90 days	-	369.83	-	**369.83**	-	-	**-**	**-**	**369.83**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	2.86	**2.86**	-	-	**-**	**-**	**2.86**
>360 days	-	-	4,107.58	**4,107.58**	-	-	2,046.53	**2,046.53**	**6,154.11**
Total	**145,783.04**	**2,027.08**	**4,122.93**	**151,933.05**	**267,013.66**	-	**2,046.53**	**269,060.19**	**420,993.24**
Accumulated provision for impairment losses									
Current	(6.62)	(0.34)	(4.67)	**(11.63)**	(71.78)	-	-	**(71.78)**	**(83.41)**
1-30 days	(0.01)	-	-	**(0.01)**	(1.11)	-	-	**(1.11)**	**(1.12)**
31-60 days	-	-	-	**-**	-	-	-	**-**	**-**
61-90 days	-	-	-	**-**	-	-	-	**-**	**-**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	(1.01)	**(1.01)**	-	-	-	**-**	**(1.01)**
>360 days	-	-	(4,068.60)	**(4,068.60)**	-	-	(2,046.53)	**(2,046.53)**	**(6,115.13)**
Total	**(6.63)**	**(0.34)**	**(4,074.28)**	**(4,081.25)**	**(72.89)**	-	**(2,046.53)**	**(2,119.42)**	**(6,200.67)**
Total net carrying Amount									
Current	143,651.57	1,613.20	7.82	**145,272.59**	259,916.54	-	**-**	**259,916.54**	**405,189.13**
1-30 days	2,124.84	-	-	**2,124.84**	7,024.23	-	**-**	**7,024.23**	**9,149.07**
31-60 days	-	43.71	-	**43.71**	-	-	**-**	**-**	**43.71**
61-90 days	-	369.83	-	**369.83**	-	-	**-**	**-**	**369.83**
91-180 days	-	-	-	**-**	-	-	-	**-**	**-**
181-360 days	-	-	1.85	**1.85**	-	-	-	**-**	**1.85**
>360 days	-	-	38.98	**38.98**	-	-	-	**-**	**38.98**
Total	**145,776.41**	**2,026.74**	**48.65**	**147,851.80**	**266,940.77**	-	**-**	**266,940.77**	**414,792.57**

Value of collaterals	**145,761.07**	**412.69**	**16.41**	**146,190.17**	**265,709.80**	-	-	**265,709.80**	**411,899.97**

A.4 Reconciliation of advances to customers by IFRS 9 stage

The following tables present the movement of the exposure and the provision for impairment losses of advances to customers measured at amortized cost by IFRS 9 stage for the years 2021 and 2020:

Amounts in thousands of Euro	Exposure before impairment				Accumulated provision for impairment losses				Net Carrying Amount
	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	
Opening balance as at 1.1.2021	**412,796.70**	**2,027.09**	**6,169.45**	**420,993.24**	**79.52**	**0.34**	**6,120.81**	**6,200.67**	**414,792.57**
Transfers to Stage 1 from Stage 2 or 3	-	-	-	**-**	-	-	-	**-**	**-**
Transfers to Stage 2 from Stage 1 or 3	-	-	-	**-**	-	-	-	**-**	**-**
Transfers to Stage 3 from Stage 1 or 2	-	-	-	**-**	-	-	-	**-**	**-**
New loans originated or purchased	36,826.13	-	-	**36,826.13**	-	-	-	**-**	**36,826.13**
Gross discount commission fee	13,556.18	35.11	-	**13,591.29**	-	-	-	**-**	**13,591.29**
Write-offs	-	-	(580.41)	**(580.41)**	-	-	(580.41)	**(580.41)**	**-**
Repayments and other movements	115,012.83	(706.46)	(165.20)	**114,141.17**	-	-	-	-	**114,141.17**
Changes in risk parameters and re-measurement of expected credit losses	-	-	-	**-**	(67.78)	(0.33)	(162.70)	**(230.81)**	**230.81**
Closing balance as at 31.12.2021	**578,191.84**	**1,355.74**	**5,423.84**	**584,971.42**	**11.74**	**0.01**	**5,377.70**	**5,389.45**	**579,581.97**

Amounts in thousands of Euro	Exposure before impairment				Accumulated provision for impairment losses				Net Carrying Amount
	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	
Opening balance as at 1.1.2020	**516,029.76**	**2,072.82**	**6,412.68**	**524,515.26**	**152.35**	**6.27**	**6,100.46**	**6,259.08**	**518,256.18**
Transfers to Stage 1 from Stage 2 or 3	1.14	(0.60)	(0.54)	**-**	-	-	-	**-**	**-**
Transfers to Stage 2 from Stage 1 or 3	(369.83)	369.83	-	**-**	-	-	-	**-**	**-**
Transfers to Stage 3 from Stage 1 or 2	(1.03)	-	1.03	**-**	(1.03)	-	1.03	**-**	**-**
New loans originated or purchased	81,300.97	-	-	**81,300.97**	-	-	-	**-**	**81,300.97**
Repayments and other movements	(184,164.31)	(414.96)	(243.72)	**(184,822.99)**	-	-	-	**-**	**(184,822.99)**
Changes in risk parameters re-measurement of expected credit losses	-	-	-	**-**	(71.80)	(5.93)	19.32	**(58.41)**	**58.41**
Closing balance as at 31.12.2020	**412,796.70**	**2,027.09**	**6,169.45**	**420,993.24**	**79.52**	**0.34**	**6,120.81**	**6,200.67**	**414,792.57**

A.5 Advances to customers and accumulated provision for impairment losses by IFRS 9 Stage, industry and geographical region

31.12.2021									
Amounts in thousands of Euro	Greece				Rest of Europe				
	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	**Grant Total**
Exposure before impairment									
Manufacturing	402,631.19	1,353.07	2,029.98	406,014.24	-	-	-	-	**406,014.24**
Wholesale and retail trade	137,218.69	2.67	1,674.73	138,896.09	0.24	-	-	0.24	**138,896.33**
Transportation	3,924.41	-	-	3,924.41	-	-	-	-	**3,924.41**
Services	18,219.85	-	1,507.73	19,727.58	-	-	-	-	**19,727.58**
Financial institutions	56.03	-	-	56.03	-	-	-	-	**56.03**
Hotels/Tourism	-	-	-	-	-	-	-	-	**-**
Other sectors	16,141.43	-	211.40	16,352.83	-	-	-	-	**16,352.83**
Total	**578,191.60**	**1,355.74**	**5,423.84**	**584,971.18**	**0.24**	-	**-**	**0.24**	**584,971.42**
Accumulated provision for impairment losses									
Manufacturing	(8.36)	(0.01)	(2,029.98)	(2,038.35)	-	-	-	-	**(2,038.35)**
Wholesale and retail trade	(1.97)	-	(1,630.87)	(1,632.84)	-	-	-	-	**(1,632.84)**
Transportation	-	-	-	-	-	-	-	-	**-**
Services	(1.04)	-	(1,507.73)	(1,508.77)	-	-	-	-	**(1,508.77)**
Financial institutions	-	-	-	-	-	-	-	-	**-**
Hotels/Tourism	-	-	-	-	-	-	-	-	**-**
Other sectors	(0.37)	-	(209.12)	(209.49)	-	-	-	-	**(209.49)**
Total	**(11.74)**	**(0.01)**	**(5,377.70)**	**(5,389.45)**	**-**	-	**-**	**-**	**(5,389.45)**
Total net carrying Amount									
Manufacturing	402,622.83	1,353.06	-	403,975.89	-	-	-	-	**403,975.89**
Wholesale and retail trade	137,216.72	2.67	43.86	137,263.25	0.24	-	-	**0.24**	**137,263.49**
Transportation	3,924.41	-	-	3,924.41	-	-	-	-	**3,924.41**
Services	18,218.81	-	-	18,218.81	-	-	-	-	**18,218.81**
Financial institutions	56.03	-	-	56.03	-	-	-	-	**56.03**
Hotels/Tourism	-	-	-	-	-	-	-	-	**-**
Other sectors	16,141.06	-	2.28	16,143.34	-	-	-	-	**16,143.34**
Total	**578,179.86**	**1,355.73**	**46.14**	**579,581.73**	**0.24**	-	**-**	**0.24**	**579,581.97**

31.12.2020									
Amounts in thousands of Euro	Greece				Rest of Europe				
	Stage 1	Stage 2	Stage 3	**Total**	Stage 1	Stage 2	Stage 3	**Total**	**Grand Total**
Exposure before impairment									
Manufacturing	270,571.32	1,613.54	2,781.61	274,966.47	-	-	-	-	**274,966.47**
Wholesale and retail trade	109,401.70	43.71	1,674.04	111,119.45	0.04	-	-	0.04	**111,119.49**
Transportation	3,006.99	-	-	3,006.99	-	-	-	-	**3,006.99**
Services	14,297.89	-	1,503.25	15,801.14	-	-	-	-	**15,801.14**
Financial institutions	74.98	-	-	74.98	-	-	-	-	**74.98**
Hotels/Tourism	-	369.83	-	369.83	-	-	-	-	**369.83**
Other sectors	15,443.78	-	210.56	15,654.34	-	-	-	-	**15,654.34**
Total	**412,796.66**	**2,027.08**	**6,169.46**	**420,993.20**	**0.04**	-	-	**0.04**	**420,993.24**
Accumulated provision for impairment losses									
Manufacturing	(49.56)	(0.34)	(2,781.61)	(2,831.51)	-	-	-	-	**(2,831.51)**
Wholesale and retail trade	(23.40)	-	(1,626.73)	(1,650.13)	(0.04)	-	-	**(0.04)**	**(1,650.17)**
Transportation	(0.01)	-	-	(0.01)	-	-	-	-	**(0.01)**
Services	(4.90)	-	(1,503.25)	(1,508.15)	-	-	-	-	**(1,508.15)**
Financial institutions	-	-	-	-	-	-	-	-	**-**
Hotels/Tourism	-	-	-	-	-	-	-	-	**-**
Other sectors	(1.61)	-	(209.22)	(210.83)	-	-	-	-	**(210.83)**
Total	**(79.48)**	**(0.34)**	**(6,120.81)**	**(6,200.63)**	**(0.04)**	-	-	**(0.04)**	**(6,200.67)**
Total net carrying Amount									
Manufacturing	270,521.76	1,613.20	-	272,134.96	-	-	-	-	**272,134.96**
Wholesale and retail trade	109,378.30	43.71	47.31	109,469.32	-	-	-	-	**109,469.32**
Transportation	3,006.98	-	-	3,006.98	-	-	-	-	**3,006.98**
Services	14,292.99	-	-	14,292.99	-	-	-	-	**14,292.99**
Financial institutions	74.98	-	-	74.98	-	-	-	-	**74.98**
Hotels/Tourism	-	369.83	-	369.83	-	-	-	-	**369.83**
Other sectors	15,442.17	-	1.34	15,443.51	-	-	-	-	**15,443.51**
Total	**412,717.18**	**2,026.74**	**48.65**	**414,792.57**	-	-	-	-	**414,792.57**

A.6 Interest income from advances to customers by category and IFRS 9 stage

Amounts in thousands of Euro	31.12.2021				31.12.2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
SME's	5,207.58	29.80	-	**5,237.38**	6,206.72	55.28	-	**6,262.00**
Large Corporate	8,348.60	5.30	-	**8,353.90**	9,149.85	-	-	**9,149.85**
Total	**13,556.18**	**35.10**	**-**	**13,591.28**	**15,356.57**	**55.28**	**-**	**15,411.85**

B. Forborne advances to customers

B.1 Analysis of forborne advances to customers by type of forbearance measure

Amounts in thousands of Euro	31.12.2021			31.12.2020		
	Total forborne advances to customers	**Accumulated provision for impairment losses**	**Net carrying amount of forborne advances to customers**	**Total forborne advances to customers**	**Accumulated provision for impairment losses**	**Net carrying amount of forborne advances to customers**
SMEs						
Decrease in interest rate	1,353.07	(0.01)	1,353.06	1,613.54	(0.34)	1,613.20
Loan term extension	660.94	(655.67)	5.27	663.70	(655.88)	7.82
Grace period	-	-	-	-	-	-
Past due settlement	-	-	-	401.61	(401.61)	-
Total	**2,014.01**	**(655.68)**	**1,358.33**	**2,678.85**	**(1,057.83)**	**1,621.02**
Large Corporates						
Decrease in interest rate	-	-	-	-	-	
Loan term extension	1,428.28	(1,428.28)	-	1,425.43	(1,425.43)	-
Grace period	-	-	-	-	-	-
Past due settlement	-	-	-	-	-	-
Total	1,428.28	(1,428.28)	-	1,425.43	(1,425.43)	-
Grand Total	**3,442.29**	**(2,083.96)**	**1,358.33**	**4,104.28**	**(2,483.26)**	**1,621.02**

B.2 Analysis of forborne advances to customers and provision for impairment losses by IFRS 9 stage and according to their credit quality

Amounts in thousands of Euro	31.12.2021			31.12.2020		
	Total advances to customers	**Total forborne advances to customers**	**(%)**	**Total advances to customers**	**Total forborne advances to customers**	**(%)**
Stage 1	578,191.84	-	0.00%	412,796.70	-	0.00%
Stage 2	1,355.75	1,353.07	99.80%	2,027.09	1,613.54	79.60%
Stage 3	5,423.84	2,089.22	38.52%	6,169.45	2,490.74	40.37%
Exposure (before impairment)	**584,971.43**	**3,442.29**	**0.59%**	**420,993.24**	**4,104.28**	**0.97%**
Stage 1 (Provision for impairment losses)	(11.74)	-	0.00%	(79.52)	-	0.00%
Stage 2 (Provision for impairment losses)	(0.01)	(0.01)	100.00%	(0.34)	(0.34)	100.00%
Stage 3 (Provision for impairment losses)	(5,377.70)	(2,083.95)	38.75%	(6,120.80)	(2,482.92)	40.57%
Total net carrying amount	**579,581.98**	**1,358.33**	**0.23%**	**414,792.58**	**1,621.02**	**0.39%**
Value of collaterals	578,138.83	5.27		411,899.96	-	

B.3 Reconciliation of forborne advances to customers

Forborne advances to customers (Net Value)		
Amounts in thousands of Euro	1.1-31.12.2021	1.1-31.12.2020
Opening balance (as at 1.1.2021 and 1.1.2020 respectively)	**1,621.02**	**2,075.74**
Forbearance measures during the year	-	-
Interest income	29.81	37.70
Repayments of advances (partial or full)	(300.19)	(507.51)
Advances that exited forbearance status during the period	-	-
Impairment (Losses)/Gains	0.54	6.04
Other	7.15	9.05
Closing balance (as at 31.12.2021 and 31.12.2020 respectively)	**1,358.33**	**1,621.02**
of which:		
Large corporate	-	-
SMEs	1,358.33	1,621.02

Forborne exposures presented above concern advances to customers facing financial difficulties or showing amounts past due over 90 days and for which modifications have been extended on the contractual terms agreed with the Company (in accordance with the existing regulatory framework). These forborne exposures have been assessed for impairment (either individually or collectively) by the Company as at 31.12.2021.

45.2 Foreign currency risk

As described in Note 2, Euro is the functional and presentation currency for the Company.

The Company has exposure to risks arising from changes in foreign exchange rates which do not materially affect its financial position and cash flows. The following tables depict the Company's exposure to foreign currency risk as at 31.12.2021 and 31.12.2020.

The tables below present the Company's assets and liabilities by currency. The Finance Department monitors exposure to foreign currency risk and takes appropriate actions.

	Foreign currency risk 31.12.2021				
Amounts in thousands of Euro	USD	GBP	OTHER FC	EURO	TOTAL
ASSETS					
Cash and cash equivalents	-	-	-	0.62	0.62
Due from banks	84.18	2.37	-	5,078.49	5,165.04
Due from customers	556.55	-	-	579,025.42	579,581.97
Property. plant and equipment	-	-	-	2,596.22	2,596.22
Intangible assets	-	-	-	647.62	647.62
Other assets	-	-	-	273.81	273.81
Total assets	**640.73**	**2.37**	**0.00**	**587,622.18**	**588,265.28**
.					
LIABILITIES					
Due to banks	646.69	-	-	172,214.88	172,861.57
Due to customers	-	-	-	5,419.67	5,419.67
Debt securities in issue	-	-	-	255,035.92	255,035.92
Liabilities for current income tax and other taxes	-	-	-	855.92	855.92
Deferred tax liabilities	-	-	-	8,979.44	8,979.44
Employee defined benefit obligations	-	-	-	164.97	164.97
Other liabilities	11.47	-	-	3,786.84	3,798.31
Total liabilities	**658.16**	**0.00**	**0.00**	**446,457.64**	**447,115.80**
Total Foreign Exchange Position	**(17.43)**	**2.37**	**0.00**	**141,164.54**	**141,149.48**

Amounts in thousands of Euro	Foreign currency risk 31.12.2020				
	USD	GBP	OTHER FCY	EURO	TOTAL
ASSETS					
Cash and cash equivalents	-	-	-	1.36	1.36
Due from banks	80.46	3.33	-	2,519.54	2,603.33
Due from customers	747.48	0.06	-	414,045.03	414,792.57
Property. plant and equipment	-	-	-	2,887.24	2,887.24
Intangible assets	-	-	-	501.07	501.07
Other assets	-	-	-	192.09	192.09
Total assets	**827.94**	**3.39**	**-**	**420,146.33**	**420,977.66**
.					
LIABILITIES					
Due to banks	684.80	-	-	33,601.43	34,286.23
Due to customers	-	-	-	5,012.84	5,012.84
Debt securities in issue	-	-	-	235,035.10	235,035.10
Liabilities for current income tax and other taxes	-	-	-	1,202.32	1,202.32
Deferred tax liabilities	-	-	-	9,235.66	9,235.66
Employee defined benefit obligations	-	-	-	147.12	147.12
Other liabilities	10.60	-	-	3,708.08	3,718.68
Total liabilities	**695.40**	**-**	**-**	**287,942.55**	**288,637.95**
Total Foreign Exchange Position	**132.54**	**3.39**	**-**	**132,203.78**	**132,339.71**

45.3 Interest rate risk

In the context of analyzing the Assets-Liabilities of the Company, an Interest Rate Gap Analysis is performed. More specifically, assets and liabilities are classified into time bands (gaps) based on their re-pricing date, relative to the reporting date, in the case of variable interest rate instruments, or the maturity date for fixed rate instruments.

	Interest Rate Risk (Gap Analysis) 31.12.2021							
Amounts in thousands of Euro	**Less than 1 month**	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**TOTAL**
ASSETS								
Cash and cash equivalents	-	-	-	-	-	-	0.62	0.62
Due from banks	5,165.04	-	-	-	-	-	-	5,165.04
Due from customers	3,696.10	575,795.26	-	-	-	-	90.61	579,581.97
Property. plant and equipment	-	-	-	-	-	-	2,596.22	2,596.22
Intangible assets	-	-	-	-	-	-	647.62	647.62
Other assets	-	-	-	-	-	-	273.81	273.81
Total Assets	**8,861.14**	**575,795.26**	-	-	-	-	**3,608.88**	**588,265.28**
LIABILITIES								
Due to banks	75,482.14	38,092.05	59,287.38	-	-	-	-	172,861.57
Due to customers	-	-	-	-	-	-	5,419.67	5,419.67
Debt securities in issue	255,032.03	3.89	-	-	-	-	-	255,035.92
Liabilities for current income tax and other taxes	-	-	-	-	-	-	855.92	855.92
Deferred tax liabilities	-	-	-	-	-	-	8,979.44	8,979.44
Employee defined benefit obligations	-	-	-	-	-	-	164.97	164.97
Other liabilities	-	-	-	-	-	-	3,798.31	3,798.31
Total Liabilities	**330,514.17**	**38,095.94**	**59,287.38**	-	-	-	**19,218.31**	**447,115.80**
EQUITY								
Share capital	-	-	-	-	-	-	41,000.01	41,000.01
Share premium	-	-	-	-	-	-	64.75	64.75
Statutory reserve	-	-	-	-	-	-	9,201.99	9,201.99
Retained earnings	-	-	-	-	-	-	90,882.73	90,882.73
Total Equity	-	-	-	-	-	-	**141,149.48**	**141,149.48**
Total Liabilities and Equity	**330,514.17**	**38,095.94**	**59,287.38**	-	-	-	**160,367.79**	**588,265.28**
OPEN EXPOSURE	**(321,653.03)**	**537,699.32**	**(59,287.38)**	**-**	**-**	**-**	**(156,758.91)**	**-**
CUMULATIVE EXPOSURE	**(321,653.03)**	**216,046.29**	**156,758.91**	**-**	**-**	**-**	**-**	**-**

Amounts in thousands of Euro	Interest Rate Risk (Gap Analysis) 31.12.2020 as restated							
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**1 to 5 years**	**More than 5 years**	**Non-interest bearing**	**TOTAL**
ASSETS								
Cash and cash equivalents	-	-	-	-	-	-	1.36	1.36
Due from banks	2,603.33	-	-	-	-	-	-	2,603.33
Due from customers	3,514.96	411,179.41	-	-	-	-	98.20	414,792.57
Property. plant and equipment	-	-	-	-	-	-	2,887.24	2,887.24
Intangible assets	-	-	-	-	-	-	501.07	501.07
Other assets	-	-	-	-	-	-	192.09	192.09
Total Assets	**6,118.29**	**411,179.41**	**-**	**-**	**-**	**-**	**3,679.96**	**420,977.66**
LIABILITIES								
Due to banks	13,595.87	20,690.36	-	-	-	-	-	34,286.23
Due to customers	-	-	-	-	-	-	5,012.84	5,012.84
Debt securities in issue	235,035.10	-	-	-	-	-	-	235,035.10
Liabilities for current income tax and other taxes	-	-	-	-	-	-	1,202.32	1,202.32
Deferred tax liabilities	-	-	-	-	-	-	9,235.66	9,235.66
Employee defined benefit obligations	-	-	-	-	-	-	147.12	147.12
Other liabilities	-	-	-	-	-	-	3,718.68	3,718.68
Total Liabilities	**248,630.97**	**20,690.36**	**-**	**-**	**-**	**-**	**19,316.62**	**288,637.95**
EQUITY								
Share capital	-	-	-	-	-	-	41,000.01	41,000.01
Share premium	-	-	-	-	-	-	64.75	64.75
Statutory reserve	-	-	-	-	-	-	8,780.31	8,780.31
Retained earnings	-	-	-	-	-	-	82,494.64	82,494.64
Total Equity	**-**	**-**	**-**	**-**	**-**	**-**	**132,339.71**	**132,339.71**
Total Liabilities and Equity	**248,630.97**	**20,690.36**	**-**	**-**	**-**	**-**	**151,656.33**	**420,977.66**
OPEN EXPOSURE	**(242,512.68)**	**390,489.05**	**-**	**-**	**-**	**-**	**(147,976.37)**	**-**
CUMULATIVE EXPOSURE	**(242,512.68)**	**147,976.37**	**-**	**-**	**-**	**-**	**-**	**-**

45.4 Liquidity risk

The monitoring of liquidity risk focuses on the Company's ability to maintain sufficient funds to cover its obligations. For this purpose, a Liquidity Gap Analysis is performed.

The cash flows arising from Assets and Liabilities are determined and classified into time bands based on their date of recovery or settlement respectively. A liquidity gap analysis is presented in the table below.

	Liquidity Risk (Liquidity Gap Analysis) 31.12.2021					
Amounts in thousands of Euro	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	More than 1 year	TOTAL
ASSETS						
Cash and cash equivalents	0.62	-	-	-	-	0.62
Due from banks	5,165.04	-	-	-	-	5,165.04
Due from customers	162,753.13	233,371.94	142,841.36	39,194.51	1,421.03	579,581.97
Property. plant and equipment	-	-	-	-	2,596.22	2,596.22
Intangible assets	-	-	-	-	647.62	647.62
Other assets	166.02	0.84	-	34.27	72.68	273.81
Total Assets	**168,084.81**	**233,372.78**	**142,841.36**	**39,228.78**	**4,737.55**	**588,265.28**
LIABILITIES						
Due to banks	75,482.14	38,092.05	59,287.38	-	-	172,861.57
Due to customers	2,599.21	2,698.98	121.48	-	-	5,419.67
Debt securities in issue	35.92	-	-	-	255,000.00	255,035.92
Liabilities for current income tax and other taxes	343.14	204.63	-	308.15	-	855.92
Deferred tax liabilities	-	-	-	-	8,979.44	8,979.44
Employee defined benefit obligations	-	-	-	-	164.97	164.97
Other liabilities	1,133.29	246.21	52.12	151.63	2,215.06	3,798.31
Total Liabilities	**79,593.70**	**4,.241.87**	**59,460.98**	**459.78**	**266,359.47**	**447,115.80**
.						
EQUITY						
Share capital	-	-	-	-	41,000.01	41,000.01
Share premium	-	-	-	-	64.75	64.75
Statutory reserve	-	-	-	-	9,201.99	9,201.99
Retained earnings	-	-	-	-	90,882.73	90,882.73
Total Equity	**-**	**-**	**-**	**-**	**141,149.48**	**141,149.48**
Total Liabilities and Equity	**79,593.70**	**41,241.87**	**59,460.98**	**459.78**	**407,508.95**	**588,265.28**
Open Liquidity Gap	**88,491.11**	**192,130.91**	**83,380.38**	**38,769.00**	**(402,771.40)**	**-**
Cumulative Liquidity Gap	**88,491.11**	**280,622.02**	**364,002.40**	**402,771.40**		**-**

Amounts in thousands of Euro	Liquidity Risk (Liquidity Gap Analysis) 31.12.2020 as restated					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**TOTAL**
ASSETS						
Cash and cash equivalents	1.36	-	-	-	-	1.36
Due from banks	2,603.33	-	-	-	-	2,603.33
Due from customers	80,129.28	108,974.36	186,506.68	37,825.23	1,357.02	414,792.57
Property. plant and equipment	-	-	-	-	2,887.24	2,887.24
Intangible assets	-	-	-	-	501.07	501.07
Other assets	93.05	0.63	-	30.38	68.03	192.09
Total Assets	**82,827.02**	**108,974.99**	**186,506.68**	**37,855.61**	**4,813.36**	**420,977.66**
LIABILITIES						
Due to banks	14,286.23	20,000.00	-	-	-	34,286.23
Due to customers	3,421.12	1,591.72	-	-	-	5,012.84
Debt securities in issue	35.10		85,000.00	100,000.00	50,000.00	235,035.10
Liabilities for current income tax and other taxes	324.24	82.03	-	796.05	-	1,202.32
Deferred tax liabilities	-	-	-	-	9,235.66	9,235.66
Employee defined benefit obligations	-	-	-	-	147.12	147.12
Other liabilities	959.60	117.35	45.46	138.83	2,457.44	3,718.68
Total Liabilities	**19,026.29**	**21,791.10**	**85,045.46**	**100,934.88**	**61,840.22**	**288,637.95**
EQUITY						
Share capital	-	-	-	-	41,000.01	41,000.01
Share premium	-	-	-	-	64.75	64.75
Statutory reserve	-	-	-	-	8,780.31	8,780.31
Retained earnings	-	-	-	-	82,494.64	82,494.64
Total Equity	**-**	**-**	**-**	**-**	**132,339.71**	**132,339.71**
Total Liabilities and Equity	**19,026.29**	**21,791.10**	**85,045.46**	**100,934.88**	**194,179.93**	**420,977.66**
Open Liquidity Gap	**63,800.73**	**87,183.89**	**101,461.22**	**(63,079.27)**	**(189,366.57)**	**-**
Cumulative Liquidity Gap	**63,800.73**	**150,984.62**	**252,445.84**	**189,366.57**	**-**	**-**

Debt securities in issue presented in the tables above, have been classified based on their related contractual obligations. However, the Company retains the right to redeem them (fully or partial) at any time during their lifetime, through a repayment of the full capital amount and the corresponding interest accrued.

The table below presents the cash flows arising from financial liabilities classified based on their contractual maturity date. Estimated interest payments are also included. Liabilities denominated in foreign currency have been converted into Euro.

Amounts in thousands of Euro	Nominal inflows / outflows 31.12.2021					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**TOTAL**
LIABILITIES						
Due to banks	75,632.61	38,185.62	59,594.60	-	-	173,412.83
Due to customers	2,599.21	2,698.98	121.48	-	-	5,419.67
Debt securities in issue	380.39	723.98	1,116.65	2,257.83	260,620.92	265,099.77
Lease Liabilities	25.44	52.44	52.41	157.68	2,366.59	2,654.56
Total	**78,637.65**	**41,661.02**	**60,885.14**	**2,415.51**	**262,987.51**	**446,586.83**

Amounts in thousands of Euro	Nominal inflows / outflows 31.12.2020					
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 12 months**	**More than 1 year**	**TOTAL**
LIABILITIES						
Due to banks	14,311.01	20,040.97	-	-	-	34,351.98
Due to customers	3,421.12	1,591.72	-	-	-	5,012.84
Debt securities in issue	381.90	726.85	86,083.29	101,212.92	51,312.57	239,717.53
Lease Liabilities	25.92	77.77	55.05	157.29	2,611.82	2,927.85
Total	**18,139.95**	**22,437.31**	**86,138.34**	**101,370.21**	**53,924.39**	**282,010.20**

45.5 Operational risk

The Company, by applying the operational risk management framework set by the Group, is aligned with the implementation of preventive methods for risk identification and assessment while also strengthening the process of monitoring and analyzing operational risk events.

More specifically, the Risk Control Self-Assessment (RCSA) methodology is applied on an annual basis. It is noted that this methodology allows the identification and assessment of potential operational risks after tests have been carried out (residual risks). Following that, the competent Units proceed with taking actions to hedge against potential unfavorable outcomes.

Operational risk events, self-assessment results and other current issues relating to operational risk are systematically monitored by the Company's Risk Management Unit as well as by the Group's competent Operational Risk Management Committees which are responsible for reviewing all relevant information and for taking measures for mitigating Operational Risk.

Regarding the operational risk and emergency response plans, the Company within the Alpha Services and Holdings Group, has developed and adopted a Business Recovery Plan which describes in detail the necessary human resources, equipment, information (data) as well as actions required in case of interruption of work-critical systems

46. Capital adequacy

The supervisory framework concerning factoring services companies is specified by the Governor's Acts of the Bank of Greece dated 27.09.2021 as follows:

Decision No. 193/1: Terms and conditions for the granting of operational and establishment license to: a) leasing companies, b) companies engaged in credit granting services and c) factoring agency companies - Special holdings - Repeal of no. 2622/21.12.2009 of the Act of the Governor "Conditions for granting operational and establishment license and supervision rules related to a) financial leasing companies, b) companies engaged in credit granting services and c) factoring agency companies" (B΄ 3/2010) and other Acts Governor of the Bank of Greece.

Decision No. 193/2: Rules for the prudential supervision of financial leasing companies, companies engaged in credit granting services, factoring agency companies and companies engaged in providing microfinance services of Law 4701/2020.

In particular, under Decision No.193/2 states that "The amount of the supervisory equity capital of the institutions herein is not allowed to fall short of the prescribed, as the case may be, minimum initial capital throughout the period of their operation".

The Company is in full compliance with the above decisions, and the amount of its supervisory capital far exceeds the capital required, based on the above decisions.

47. Disclosures on interest rate benchmark reform

The term "Reform of interest rate benchmarks" refers to the global reform of reference rates which provides for the replacement of certain interbank offered rates (IBOR) with alternative reference rates within the framework of Regulation (EU) 2016/1011 on financial benchmarks (Benchmarks Regulation). Among the interest rates that are replaced are LIBOR and EURIBOR (it is not replaced but the calculation methodology is changed).

Based on the progress of the work of the individual working groups for the replacement of the European reference interest rates , it is noted that for EURIBOR, the gradual implementation of the hybrid methodology was completed at the end of 2019 and the interest rate already complies with the Regulation.

As of January 2022, the London Interbank Interest Rate (LIBOR), one of the main and most important interest rate benchmarks used in global financial markets, has been abolished or ceased to be representative. Specific LIBORs indexes in English pounds (GBP) and Japanese Yen (JPY) benchmarks, following instructions from the UK Financial Conduct Authority, will continue to be published using a different calculation methodology known as "Synthetic", for a limited period of time, in order to facilitate the transition. In addition, the continuation of some specific durations of LIBORs benchmarks in US Dollar (USD) until June 30, 2023 has the sole purpose of supporting the transition of existing products (legacy products).

The Group ,with the proportional participation of the Company as a member of the Alpha Services and Holdings Group ,took all the necessary measures for the timely preparation of the transition to the new alternative reference rates.
More specifically, it proceeded with the following actions:

- Creation of a detailed road map with all the necessary actions that the Group had to implement to prepare for the transition.
- Establishment of an Internal Working Group with the participation of several Divisions which covered all the involved work areas under the coordination of a PMO.
- Establishment of a Steering Committee including members the Directors of core Divisions whose work was considered crucial for the completion of the project, which closely monitored the transition to the new alternative reference rates, informing the Assets Management Committee of the Bank about the progress and the challenges of the transition.
- Continuous monitoring of developments resulting from the National Working Groups to address structural and legal challenges.

• Cooperation with supervisory authorities and bodies of the sector, aiming to ensure a smooth transition for the Group and its customers.

Indicatively, the main actions that took place are the following:

1. The Group's exposure to financial products inside and outside the Balance Sheet that are related to these reference interest rates and had maturities after 1/1/2022 was quantified.
2. A transition strategy was created for contracts brought by LIBORs which expired or ceased to be representative on 1/1/2022, based on guidelines from the National Working Groups and the supervisory authorities
3. The Legal Services made the necessary amendments to the relevant contracts to be compatible with the new reference rates and local law by forming fallback clauses.
4. The Group proceeded to a new configuration of all IT systems, depending on the needs, in collaboration with the vendors and in accordance with the operational requirements of the units involved to support the new reference interest rate.
5. The Group informed in advance its clientele about the transition from LIBOR by uploading on its website all the relevant information updating their content on an ongoing basis. In addition, personalized information was provided to customers with contracts that were directly affected by the transition to the new alternative interest rates.

On August 27, 2020, the International Accounting Standards Board amended IFRS 9, IAS 39 and IFRS 7 in the context of the 2nd phase of the project to address the accounting issues that arise due to the interest rate reform. These amendments are effective from 1.1.2021 and the basic reliefs they provide are as follows:
- Changes in contractual cash flows: When changing the basis for calculating the cash flows of financial receivables and liabilities, the changes required by the interest rate reform do not lead to a recognition of a gain or loss on the income statement but the effective interest rate needs to be updated.
- Hedge accounting: changes in the hedging documentation resulting from interest rate reform do not result in termination of the hedging relationship or the commencement of a new relationship provided that they relate to changes permitted by the 2nd amendment.

The adoption of the above amendments did not have an impact on the Company's financial statements as on it makes use of the option provided regarding changes in contractual cash flows. The Company does not have derivative financial instruments and does not apply hedge accounting.

The table below shows the Company's exposure to financial assets that, as of December 31, 2021, have not yet switched to alternative interest rate benchmarks. It is noted that the financial liabilities of the Company mainly have the Euribor as an interest rate benhmark, which remains in force and is not replaced by any alternative interest rate benchmark.

	Claims against customers (Euro)
USD Libor	556,946.35
Total	**556,946.35**

48. Assessment of the impact of the conflict between Russia and Ukraine and the ensuing sanctions

The Group closely monitors the effects of the conflict and the ensuing sanctions to assess the medium-term effects on the country, its customers and its financial system. At household level, disposable income is expected to be affected by inflationary pressures due to the overall increase in energy prices which will consequently lead to an increase in the cost of producing consumer goods.

Regarding the readiness and ability of the Group to apply sanctions, the terms of the restrictive measures vary in terms of their classification depending on the type of transaction / range, currency, country, Banks, customers, and Organization that imposes them. The responsible Divisions of the Group are to proceed with the adjustment of the operating procedures in a short period of time, for the Group to fully comply with the relevant obligations and instructions. In addition, after examining the list of suppliers and the active contracts of the Bank, there is no dependence on the part of the supplier with any company from the countries directly involved in the conflict.

Regarding potential cyber risk incidents, the Bank has intensified its monitoring and alerting analysis both internally and through receiving, analyzing and responding services to suspicious, potential Cyber Security incidents with increased sensitivity regarding elements related to the intrusion in Ukraine. The Group is in regular communication with National Authorities, as well as commercial threat intelligence services and their members (FS-ISAC and Forum of Incident Response and Security Teams). Relevant information is communicated to the Group companies as well as to the other Greek Banks for mutual information and coordinated activity, if required.

As the Russia / Ukraine conflict continues to evolve, any impact assessment is premature. However, the Group has an established and robust “Unlikeness to Pay (UTP)” process for assessing borrowers’ viability and long-term ability to repay. The UTP process takes place during the periodic review of the existing limits, upon request for new lending, upon extraordinary requests, upon notification of the Wholesale Banking Credit Board or when considering a request for modification and the corresponding implementation for Retail Banking. The UTP process in combination with the mechanism of the Early Warning System that exists, ensure the timely detection of events by the Bank / Group, at the level of the borrower (legal entities and individuals) and the portfolio, as well as the relevant actions to be taken to manage of these borrowers.

In particular, the Company as of 31.12.2021 had a value of assigned receivables from debtors based in Russia amounting to Euro 1.57 million, of which Euro 1.06 million had been discounted, while the value of receivables from debtors based in Ukraine amounted to Euro 0 .57 million, of which Euro 0.39 million had been discounted. These receivables come from exports of Greek suppliers, which are customers of the Company, and are all insured by trade credit insurance companies.

49. Related party transactions

The Company, as a subsidiary of Alpha Services and Holdings Group (100% of the Company’s shares owned directly by ALPHA HOLDINGS S.M.S.A.), enters into transactions within the normal course of its business, with Alpha Bank and other Group companies.

The terms and conditions under which these transactions are carried out do not differ substantially from the usual terms applicable in transactions of the Company with non-affiliated companies and are approved by the competent bodies.

A. The outstanding balances of the Company’s transactions with key management personnel, members of the Company’s Board of Directors and their close family members as well as the results related to these transactions are as follows:

	31.12.2021	31.12.2020
Expenses		
Compensation of key management personnel and members of the Board of Directors	329,554.79	329,327.08
Total	**329,554.79**	**329,327.08**

B. The outstanding balances of the Company's transactions with Alpha Bank (100% indirect participation) and the other companies of the Group as well as the results related to these transactions, are as follows:

			31.12.2021	31.12.2020
Assets				
A)		**Due from banks**		
	1.	ALPHA BANK S.A.	992,168.52	920,227.17
	2.	ALPHA BANK CYPRUS LTD	883,679.75	325,895.64
B)		**Property, Plant & Equipment**		
		Right-of-Use on Buildings		
	1.	ALPHA BANK S.A.	72,579.66	72,579.66
C)		**Right-of-Use on Buildings - Depreciation**		
	1.	ALPHA BANK S.A.	66,834.03	42,660.67
D)		**Intangible Assets**		
		Software Expenses		
	1.	ALPHA SUPPORTING SERVICES S.A.	25,018.42	25,018.42
		Software Expenses- Depreciation		
	1.	ALPHA SUPPORTING SERVICES S.A.	12,509.20	7,505.52
E)		**Accrued income**		
	1.	ALPHA BANK A.E.	-	266.60
	2.	ALPHALIFE A.A.E.Z.	-	2,811.96
		Total	**2,052,789.58**	**1,396,965.64**

			31.12.2021	31.12.2020
Liabilities				
A)		**Due to banks**		
	1.	ALPHA BANK S.A.	152,857,688.04	14,280,678.49
B)		**Debt securities in issue**		
	1.	ALPHA BANK S.A.	255,035,924.00	235,035,097.00
C)		**Other liabilities**		
	1.	ALPHA BANK S.A.	520,710.15	476,773.32
	2.	ALPHA SUPPORTING SERVICES S.A.	107,932.41	42,384.92
		Total	**408,522,254.60**	**249,834,933.73**

			1.1.-31.12.2021	1.1.-31.12.2020
Income statement				
		INCOME		
A)		**Interest and similar income**		
	1.	ALPHA BANK S.A.	249.04	21,467.91
B)		**Staff costs**		
	1.	ALPHALIFE A.A.E.Z.	3,095.90	8,370.75
		Legal fees		
	1.	ALPHA BANK A.E.	-	4,090.00
		Total income	**3,344.94**	**33,928.66**
		EXPENSES		
A)		**Interest and similar charges**		
	1.	ALPHA BANK S.A.	4,565,711.12	5,722,455.96
	2.	ALPHA BANK CYPRUS LTD	4,616.71	2,924.48
B)		**Commission expense**		
	1.	ALPHA BANK S.A.	1,429,880.55	1,708,600.53
C)		**Staff costs**		
	1.	ALPHA BANK S.A.	29,236.88	35,454.22
D)		**General administrative expense**		
	1.	ALPHA BANK S.A.	87,597.28	40,060.71
	2.	ALPHA SUPPORTING SERVICES S.A.	134,173.77	70,909.27

E)		**Insurance**		
	1.	ALPHA BANK S.A.	55,202.23	48,574.98
F)		**Interest Expense from Lease Liability**		
	1.	1.ALPHA BANK A.E.	90.10	111.25
G)		**Right-of-Use on Lease - Depreciation Charge**		
	1.	ALPHA BANK A.E.	24,173.37	22,278.01
		Total Expenses	**6,330,682.01**	**7,651,369.41**

C. The Hellenic Financial Stability Fund (HFSF) exerts significant influence on ALPHA BANK. In particular, in the context of Law 3864/2010 and based on the Relationship Framework Agreement (RFA) signed on 23.11.2015 and replacing the previous agreement signed in 2013, HFSF participates in the Board of Directors and other significant Committees of ALPHA BANK. Therefore, in accordance with IAS 24, HFSF and its related entities are considered related parties to the Company.

During the period 1.1.-31.12.2021, the Company did not have any transactions with related parties of the HFSF.

50. Auditors' fees

The total fees of statutory auditors, as stated in paragraphs 2 and 32, article 29, of Law 4308/2014, are analyzed as follows:

	1.1-31.12.2021	1.1-31.12.2020
Fees for the statutory audit of financial statements	29,700.00	29,937.00
Fees for the issuance of tax certificate in accordance with article 65A of L.4174/2013	16,480.00	16,809.60
Fees for non-audit services	3,000.00	3,000.00
Total	**49,180.00**	**49,746.60**

It is noted that the fee for the statutory audit of financial statements includes related expenses amounting to 2% of the approved fee.

51. Restatement of Financial Statements

During the year, the Company retrospectively amended the method of attributing in the periods of service the benefits of the defined benefit plan prescribed by the indemnity benefit scheme of the Greek labor law, taking into account the decision of the Interpretations Committee of the IFRS (IFRIC Committee).

The implementation of the above decision has been treated as a change in accounting policy, which is applied retrospectively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8.

With the implementation of this decision, the allocation of benefits in periods of service no longer starts from the first day of employment and until the completion of 16 years of service, but it is attributed in the last 16 years of service and until the date of retirement following the scale which is illustrated in Law 4093/2012. Specifically, for employees who had completed more than 17 years of service in the Company at the time that Law 4093/2012 was in effect, the benefits are attributed per year of service in the last so many years for which they had established the right to the retirement benefit at the time of the implementation of the aforementioned law.

As a result of the above changes, some items of the Income Statement, Statement of Comprehensive Income, Balance Sheet and Cash Flow Statement of the previous year were restated, as shown in the following tables:

INCOME STATEMENT

Amounts in Euro	From 1 January to 31.12.2020		
	Published Amounts	IAS 19	Restated Amounts
Interest and similar income	15,433,822.77		15,433,822.77
Interest expense and similar charges	(5,755,397.91)		(5,755,397.91)
Net interest income	9,678,424.86	-	9,678,424.86
Commission income	8,302,850.36		8,302,850.36
Commission expense	(2,648,890.77)		(2,648,890.77)
Net commission income	5,653,959.59	-	5,653,959.59
Gains less losses on financial transactions	(12,035.75)		(12,035.75)
Other income	105.24		105.24
Total income	**15,320,453.94**	**-**	**15,320,453.94**
Staff costs	(3,047,910.64)	(1,290.00)	(3,049,200.64)
General administrative expenses	(808,356.30)		(808,356.30)
Depreciation and amortization expenses	(377,136.88)		(377,136.88)
Total expenses	**(4,233,403.82)**	**(1,290.00)**	**(4,234,693.82)**
Credit (loss) expenses (including reversal of credit losses) on financial assets	176,543.35		176,543.35
Impairment of other assets	(67,158.57)		(67,158.57)
	109,384.78		**109,384.78**
Profit before income tax	**11,196,434.90**	**(1,290.00)**	**11,195,144.90**
Income tax	(2,762,916.91)	309.60	(2,762,607.31)
Profit after income tax	**8,433,517.99**	**(980.40)**	**8,432,537.59**
Earnings per share:			
Basic and diluted (Euro per share)	6.17		6.17

The restated Statement of Comprehensive Income for the year from 1 January to 31.12.2020 is listed below:

STATEMENT OF COMPREHENSIVE INCOME

Amounts in Euro	From 1 January to 31.12.2020		
	Published Amounts	IAS 19	Restated Amounts
Profit, after income tax, recognized in the Income Statement	**8,433,517.99**	(980.40)	**8,432,537.59**
Amounts that are not reclassified in the Income Statement			
Change in actuarial gains/(losses) on employee defined benefit obligations	(36,078.00)	28,671.00	(7,407.00)
Income tax	8,658.72	(6,881.04)	1,777.68
Total of other comprehensive income recognized directly in equity, after income tax	**(27,419.28)**	**21,789.96**	**(5,629.32)**
Total comprehensive income for the period, after income tax	**8,406,098.71**	**20,809.56**	**8,426,908.27**

The restated Balance Sheet as of 31.12.2019 is listed below:

BALANCE SHEET

Amounts in Euro	31.12.2019		
	Published Amounts	IAS 19	**Restated Amounts**
ASSETS			
Cash	201.68		201.68
Due from banks	2,668,843.85		2,668,843.85
Due from customers	518,256,184.72		518,256,184.72
Property, plant and equipment	341,406.35		341,406.35
Intangible assets	544,653.43		544,653.43
Other assets	1,005,311.60		1,005,311.60
Total Assets	**522,816,601.63**	**0.00**	**522,816,601.63**
LIABILITIES			0
Due to banks	58,778,798.12		58,778,798.12
Due to customers	4,096,841.26		4,096,841.26
Debt securities in issue	325,040,139.00		325,040,139.00
Liabilities for current income tax and other taxes	797,192.88		797,192.88
Deferred tax liabilities	8,533,413.36		8,533,413.36
Employee defined benefit contributions	607,765.00		607,765.00
Other liabilities	1,467,000.71		1,467,000.71
Total Liabilities	**399,321,150.33**	**0.00**	**399,321,150.33**
EQUITY			0
Share capital	41,000,010.00		41,000,010.00
Share premium	64,746.88		64,746.88
Statutory reserve	8,241,502.05		8,241,502.05
Retained earnings	74,189,192.37	375,619.36	74,564,811.73
Total Equity	**123,495,451.30**	**375,619.36**	**123,871,070.66**
Total Liabilities and Equity	**522,816,601.63**	**375,619.36**	**523,192,220.99**

The restated Balance Sheet as of 31.12.2020 is listed below:

BALANCE SHEET

Amounts in Euro	**31.12.2020**		
	Published Amounts	**IAS 19**	**Restated Amounts**
ASSETS			
Cash	1,364.69		1,364.69
Due from banks	2,603,333.12		2,603,333.12
Due from customers	414,792,569.97		414,792,569.97
Property, plant and equipment	2,887,242.42		2,887,242.42
Intangible assets	501,071.35		501,071.35
Other assets	192,084.09		192,084.09
Total Assets	**420,977,665.64**	**-**	**420,977,665.64**
LIABILITIES			0
Due to banks	34,286,234.49		34,286,234.49
Due to customers	5,012,840.70		5,012,840.70
Debt securities in issue	235,035,097.00		235,035,097.00
Liabilities for current income tax and other taxes	1,202,321.62		1,202,321.62
Deferred tax liabilities	9,110,474.53	125,188.08	9,235,662.61
Employee defined benefit contributions	668,744.00	(521,617.00)	147,127.00
Other liabilities	3,718,674.29		3,718,674.29
Total Liabilities	**289,034,386.63**	**(396,428.92)**	**288,637,957.71**
EQUITY			0
Share capital	41,000,010.00		41,000,010.00
Share premium	64,746.88		64,746.88
Statutory reserve	8,780,310.68		8,780,310.68
Retained earnings	82,098,211.45	396,428.92	82,494,640.37
Total Equity	**131,943,279.01**	**396,428.92**	**132,339,707.93**
Total Liabilities and Equity	**420,977,665.64**	**-**	**420,977,665.64**

The restated Cash Flow Statement as of 31.12.2020 is listed below:

STATEMENT OF CASH FLOWS

Amounts in Euro	31.12.2020			
	Published Amounts	**IAS 19**	**Other Adjustments**	**Restated Amounts**
Cash flows from operating activities				
Profit before income tax	11,196,434.90	(1,290.00)		11,195,144.90
Adjustments to profit before income tax for:				
Depreciation of property, plant and equipment	285,379.99			285,379.99
Amortization of intangible assets	91,756.89			91,756.89
Expense / (income) on pension plans	24,901.00	1,290.00		26,191.00
Impairment losses / (releases) for receivables	(58,411.50)			(58,411.50)
Impairment of other assets	67,158.57			67,158.57
Interest on debt securities in issue	5,408,263.57			5,408,263.57
Interest from lease liabilities	21,142.97			21,142.97
Other income	-			0.00
	17,036,626.39	**0.00**	**0.00**	**17,036,626.39**
increase / decrease:				0.00
Due from customers	103,741,415.12			103,741,415.12
Other assets	295,662.08			295,662.08
Due to banks	(24,492,563.63)			(24,492,563.63)
Due to customers	915,999.44			915,999.44
Other liabilities	(613,500.51)		(21,142.97)	(634,643.48)
Other taxes	(390,923.18)			(390,923.18)
Net cash flows from operating activities before taxes	**96,492,715.71**	**0.00**	**(21,142.97)**	**96,471,572.74**
Income tax paid	(815,496.72)			(815,496.72)
Net cash flows from operating activities	**95,677,218.99**	**0.00**	**(21,142.97)**	**95,656,076.02**
Cash flows from investing activities				0.00
Acquisitions of fixed assets	(73,714.21)			(73,714.21)
Net cash flows from investing activities	**(73,714.21)**	**0.00**	**0.00**	**(73,714.21)**
Cash flows from financing activities				
Dividends paid	-			0.00
Receipts of debt securities in issue	160,000,000.00			160,000,000.00
Repayments of interest of debt securities in issue	(255,413,305.57)			(255,413,305.57)
Interest from lease liabilities	(21,142.97)			(21,142.97)
Lease repayments	(233,403.96)		21,142.97	(212,260.99)
Net cash flows from financing activities	**(95,667,852.50)**	**0.00**	**21,142.97**	**(95,646,709.53)**
Net increase/(decrease) in cash flows	**(64,347.72)**	**0.00**	**0.00**	**(64,347.72)**
Cash and cash equivalents at the beginning of the year	**2,669,045.53**			**2,669,045.53**
Cash and cash equivalents at the end of the year	**2,604,697.81**			**2,604,697.81**

52. Events after the balance sheet date

A. Russia's invasion in Ukraine on February 24, 2022 has caused uncertainty in both the markets and the development of macroeconomic conditions, while the sanctions imposed by the United States, the European Union, the United Kingdom and other countries has affected transactions with those involved in the sanctions.

On 31.12.2021 the Company had a value of assigned receivables from debtors based in Russia amounting to Euro 1.57 million, of which Euro 1.06 million had been discounted, while the value of receivables from debtors based in Ukraine amounted to Euro 0.57 million of which Euro 0.39 million had been discounted. These receivables come from exports of Greek suppliers, which are customers of the Company, and are all insured by trade credit insurance companies.

At the date of publication of the Financial Statements of 31.12.2021, there are neither assigned receivables nor any discounted amount related to receivables from debtors based in Russia and / or Ukraine.

The Company monitors the evolving crisis and evaluates the effects on its business activities, its financial position and its profitability, but given the fact that, on the date of publication of the Financial Statements, there are no trade claims nor discounted ones from both Russia and Ukraine, Russia's invasion in Ukraine in early 2022, as well as the sanctions imposed on Russia, are not expected to affect the Company's operations.

B. The balances of the Bonds issued by the Company on 31.12.2021, as mentioned in note 36, did not change from 1.01.2022 until the date of publication of the Financial Statements.

On March 16, 2022, the Company entered into a contractual agreement with the indirect parent bank, Alpha Bank, to cover a debenture loan, under the provisions of Law 3156/2003 and Law 4548/2018. The loan, of principal Euro 40,000,000, consists of 40,000,000 bonds, with a nominal value of one Euro (1€). The interest rate on the bond loan is determined as the one-month (1), three-month (3) or six-month (6) Euribor, at the issuer's option, plus a predetermined spread. The repayment of the capital will take place on March 16, 2025, however the Company may make a repayment of the nominal value of the bonds along with the accrued interest at any expiration date of the Interest Period, until the prepayment date and within the deadline of Redistribution of the acquired company's own bonds, according to article 62 par.1 Law 4548/2018. The Company did not make use of its above right and the balance at the date of publication of the Financial Statements of 31.12.2021 remained at Euro 40m.

On March 16, 2022, the Company entered into a contractual agreement with the indirect parent bank, Alpha Bank, to cover a debenture loan, under the provisions of Law 3156/2003 and Law 4548/2018. The loan, of principal Euro 40,000,000, consists of 40,000,000 bonds, with a nominal value of one Euro (1€). The interest rate on the bond loan is determined as the one-month (1), three-month (3) or six-month (6) Euribor, at the issuer's option, plus a predetermined spread. The repayment of the capital will take place on June 28, 2024, however the Company may make a repayment of the nominal value of the bonds along with the accrued interest at any expiration date of the Interest Period, until the prepayment date and within the deadline of Redistribution of the acquired company's own bonds, according to article 62 par.1 Law 4548/2018. The Company did not make use of its above right and the balance at the date of publication of the Financial Statements of 31.12.2021 remained at Euro 40m.

On April 29, 2022, the Company increased the provision of credit facilities, based on the contract with the European Bank for Reconstruction and Development (EBRD) dated November 30, 2020, from Euro 20m to Euro 40m.

Except for the above, no significant events occurred after the balance sheet date of the financial statements of the Company.

Athens, June 21, 2022

THE CHAIRMAN OF THE BOARD OF DIRECTORS	THE CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER	THE FINANCE AND ADMINISTRATION MANAGER
IOANNIS M. EMIRIS I.D. No AP 104025	MARIA M. RAIKOU I.D. No AK 199121	ANTONIOS K. CHRONIS I.D. No AZ 007940